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**TRAINER EXPERTISE IN BUSINESS TRAINING:
EVIDENCE FROM THE SRI LANKAN MICROFINANCE INSTITUTIONS**

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Abstract. Microfinance Institutions (MFIs) provide business training to its clients in order to improve their knowledge and skills so that they can manage their businesses effectively and efficiently. MFIs can also experience better loan repayment rates due to the provision of business training. Thus, business training is important to both MFIs and clients. To deliver business training successfully, the expertise of the trainers matters significantly. Hence, the **objectives of this study** are to define the expertise, to identify how expertise could help clients in their business ventures, and to identify strategies used by trainers to transfer their expertise. The case study **method** was used to carry out this study and six Sri Lankan MFIs were used as cases. One manager, one trainer, and one owner manager/client from each MFI were selected for interviews and hence, 18 in depth interviews were conducted to gather data. **The findings** reveal that the trainers' expertise consists of business knowledge and experiential knowledge. Trainers use business knowledge to provide subject knowledge such as financial literacy and business plan preparation. Experiential knowledge is used to create networking opportunities and to provide subject knowledge as well. Further, the trainers use strategies such as interactive training and communication to transfer the expertise. The findings of this study would be useful to microfinance practitioners, policy makers, and it further contributes to the knowledge domain of microfinance.

Key words: business training, microfinance, trainers, expertise, microenterprise.

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INTRODUCTION

Microfinance refers to the provision of small unsecured loans, business development services (BDS), insurance and savings products to individuals and groups to start and expand businesses (Khavul, 2010; ADB, 1997). The main objectives of microfinance are poverty alleviation, development of entrepreneurs and women empowerment. Microfinance Institutions (MFIs) provide microfinance to individuals with low income (Khavul, 2010; ADB, 1997). Thus, they cater to 2.8 billion people living on less than \$ 2 a day in developing countries (World Bank, 2014; Easterly, 2006, p. 165). However, MFIs operate in developed countries as well in the context of helping micro entrepreneurs. MFIs use innovative techniques such as group liability, gradually increasing loan sizes, and pre-loan savings requirements to cater to its clientele (CGAP, 2011; Khavul, 2010; ADB, 1997). Sri Lanka has an established microfinance sector, the roots of which can be traced

back to 1900s. There are government MFIs, bank MFIs, NGO MFIs, and cooperative MFIs operating in Sri Lanka. (GTZProMis, 2010; Tilakaratne et al., 2005). The microfinance players in Sri Lanka cover the whole country and the Sri Lankan government is keen to develop the microfinance sector due its contribution to the economy (GTZProMis, 2010; Tilakaratne et al., 2005).

Microfinance Institutions (MFIs) provide business training under BDS to its clients in addition to the provision of credit. BDS are non-financial services offered to entrepreneurs by MFIs, such as management training, vocational training skills, marketing assistance, and access to technology (Khavul, 2010; Sievers and Vandenberg, 2007). MFIs use either internal, or external trainers, or both to provide business training. Business training covers areas including that of financial literacy, business idea generation, marketing, record keeping, inventory management (Abeysekera, 2016; ADEMCOL, 2001). The literature indicates that clients would improve their knowledge and skills owing to the business training given, thereby resulting in better business performance in terms of profits and sales. MFIs could also reap benefits due to the provision of business training as they could experience higher loan repayment rates. This is because clients would be able to better manage their finances due to the business training obtained and thus, could repay the loan obtained from MFIs. Apart from higher loan repayments, MFIs could also experience fewer client dropouts, higher outreach potential, and increased employee motivation due to the provision of business training (ADEMCOL, 2001; Karlan and Valdivia; 2006; ILO, 2002). Thus, business training provides benefits to both MFIs and its clients. The expertise of the trainers is paramount to successful training intervention (ADEMCOL, 2001; De wildt, 2004; Tilakaratne et al, 2009). The trainers must have good knowledge and experience in order to deliver business training. Studies show that trainers' expertise could be identified in terms of their qualifications such as degrees and diplomas and experience (ADEMCOL, 2001; De wildt, 2004; Tilakaratne et al, 2009). However the extant literature on microfinance (ADEMCOL, 2001; De wildt, 2004; Tilakaratne et al, 2009) has not defined the expertise of the trainers properly. Further, it has not shown how different components of expertise could help clients. Moreover, there is a dearth of studies conducted on how trainers transfer the expertise in microfinance.

LITERATURE REVIEW

1 Business Training in microfinance settings

In this study, training refers to the provision of training programmes by MFIs on financial literacy and business training, and the follow up support given to owner managers to solve practical problems, provision of tailor-made and specific to the microenterprise (ADEMCOL, 2001; Gibb, 1997; Manpower Services Commission, 1975). Trainers of MFIs provide a number of training programmes to its clients which include financial literacy training, business start-up advice, business idea generation, preparation of business plans, accounting, marketing, inventory control, costing, pricing, sales forecasting and quality of product, training specific to their industries, strategies to access new markets, negotiating new contracts and networking (Abeysekera, 2016; Karlan and Valdivia, 2006). MFI trainers use training approaches, such as interactive training and adult training techniques to provide support to owner managers. The expertise of the trainers and how they transfer the training are key to an effective training intervention.

2 Expertise and Trainer expertise

The extant literature shows that there is no consensus on expertise (Huber, 1999). The scholars ascribe different meanings to it. From the viewpoint of psychology, expertise is an intrinsic characteristic exemplified in terms of special knowledge or capability, whereas from a sociological perspective, it considered as a special qualification and status that does not depend on the individual differences (Agnew et al., 1997; Sié and Yakhlef, 2009). Expertise is composed of two components: explicit knowledge of a domain and tacit knowledge of a field (Agnew et al., 1997; Sié and

Yakhlef, 2009). Explicit knowledge is gained through the qualifications, whereas tacit knowledge is gained through experience/practice. The previous literature on microfinance identifies the expertise of trainers in terms of their qualifications and experience that enhances the business training intervention (ADEMCOL, 2001; TJP, 2003). A study made on an MFI in Columbia reveals that the expertise of the trainers improved the effectiveness of business training (ADEMCOL, 2001). This MFI got qualified and experienced officers with business/economics degrees to deliver training. These trainers were given training by the MFI on content and adult education techniques. Further, they had to take part in business seminars to advance their knowledge. A study done by TJP (2003) reveals that an MFI in Morocco was unable to deliver the training effectively as its trainers did not have the expertise. A study done by Tilakaratne et al. (2009) on BDS in Sri Lanka found that lack of qualified internal trainers poses a significant problem for MFIs to deliver training programmes. Thus, the literature highlights the importance of expertise of trainers in providing microfinance related services.

3 Transferring expertise

While it is important for the trainers to possess the expertise, it is also necessary to transfer (i.e. knowledge transfer) it to the recipients. The literature on knowledge management asserts that knowledge transfer consists of the nature of the knowledge, characteristics of the source and the recipient, the relationship between them, and the organisational context (Argote et al., 2003). The literature on training shows that it is important to identify learner characteristics, intervention design and category, work environment, evaluation, and trainer characteristics in training transfer (Baldwin and Ford, 1988; Hutchins, 2009). Further, it was revealed that tacit knowledge is challenging to transfer compared to explicit knowledge (Nonaka, 1991). Studies conducted on microfinance show that trainers use a number of strategies to transfer the knowledge to the clients. Nieman (2001) asserts that trainers of small businesses should be competent in more than one language when they have to provide training for entrepreneurs who speak more than one language. Karalan and Valdivia's (2006) study in Peru indicates that some trainers had to conduct business training in indigenous languages. Studies made on microfinance reveal that trainers use visual illustrations, participatory exercises that build on clients' experiences and real-life examples of clients in training modules. (ADEMCOL, 2001; Karlan and Valdivia, 2006). Karalan and Valdivia (2006) and TJP (2003) show that they use training videos mostly to educate illiterate clients.

According to literature on small businesses (Accion, 2005; Walker et al; 2007), interactive learning is useful for micro enterprises as it guarantees a high level of learning over short periods of time for owner managers with low formal education. In an interactive training, there is an interaction between the trainer and the trainee in the classroom where the trainee provides his knowledge and experience by connecting with the information and experiences provided by the trainer. Interactive training does not take place in traditional lecture-based environment where passive learning takes place, but in an environment where deep learning emerges through participatory workshops (Accion, 2005; Walker et al; 2007). Trainers use adults learning concepts when providing business training to owner managers. These adult learning concepts depend on the following premises; that adults learn new things in relation to what they already know; that they would like to know new things that can be implemented in short and medium term, as opposed to in the long term; that the message transmitted in the training is not distant to the trainee (for example, trainees in the micro finance sector should not be taught accounting relating to large firms but instead of record keeping techniques relevant to micro enterprises); and finally, that trainees should be destabilised in their learning wherein the trainers should incite doubt and curiosity in the minds of the trainees regarding their prior knowledge in order to enhance their knowledge and learn new things (Accion, 2005).

Though the extant microfinance literature on training discusses expertise and training transfer, it has not defined the expertise in relation to how it helps different areas in business. Further, there

is a dearth of studies made relation to transfer of expertise. Thus, this study aims to fill these gaps by undertaking this study.

PAPER OBJECTIVE

In order to address these knowledge gaps, the study aims to explore the expertise of the trainers in the microfinance sector. On the basis of this aim the following objectives were established.

Objective 1) to define the trainer expertise Objective 2) to identify how trainer expertise could help clients in their business ventures, and objective 3) to identify strategies used by trainers to transfer their expertise.

To achieve the aim and objectives of the study, the following research questions were developed after reviewing the literature and following the research methodology adopted for the study (i.e. case study).

Question 1) how is the trainer expertise defined? Question 2) how do trainers help the owner managers through the expertise? 3) How do trainers use skills to transfer the expertise to the trainees?

METHODOLOGY

The expertise of business trainers in microfinance is a contemporary phenomenon and it has not been explored in depth by the researchers. Thus, the case study method is a suitable research strategy to conduct this study. Further, this study uses the multiple case study method which improves the theoretical generalisation compared to statistical generalisation. Six cases (i.e. MFIs) were selected for this study and the selection of six cases was in line with Eisenhard's (1989) proposition of 4-6 cases for a multiple case study method. Cases (i.e. MFIs) and respondents were chosen for the study by using the purposive sampling technique. Six cases were selected based on the MFI type (i.e. government, bank, NGO, cooperative) and making sure they provided business training. Manager, trainer, and one owner manager/client from each MFI were chosen for the study. The unit of analysis for this study was individuals as listed above.

The details of the MFIs chosen for the study are given below in the Table 1.

Table 1

Types of MFIs chosen for the study

MFIs	Type of MFI
MFI-1	Public company
MFI-2	Non-Bank
MFI-3	Private Bank
MFI-4	Government Non-Bank
MFI-5	NGO
MFI-6	Government

Source: Compiled by the author

A pilot study was conducted before the data collection began in order to refine the semi-structured questionnaire that was used to collect the data. Therein, 18 in -depth interviews (i.e. three interviews from each case) were conducted and each interview took about 45 - 60 minutes. All the interviews were tape-recorded and then transcribed. For ethical reasons, informed consent was obtained from each respondent.

The data were analysed using thematic analysis which was carried out based on the main research questions. Construct validity was achieved by using multiple data sources such as interview data, observations, and company records. Internal validity, which looks for causal relationships was met by using pattern matching in the data analysis. Since the study was a multiple case study, the findings could be generalised to a certain extent, even though the main objective of a qualitative study is theoretical generalisation as opposed to statistical generalisation. Thus, external validity could be achieved as the multiple case study method looks at generalisation of findings to domains (Yin, 2009). Reliability suggests as to whether the operations of the study such as data collection could be repeated with the same results. In this study, the case study protocol was used so that same results could be obtained by repeating the study again (Yin, 2009).

RESULTS AND DISCUSSION

Findings

The findings of this study are summarised in the table below.

Table 2

Findings of the study

Research Question	Findings
How is the trainer expertise defined?	Business knowledge gained through qualifications and experiential knowledge gained through working with owner managers and own businesses.
How do trainers help the owner managers through the expertise?	Trainers use business knowledge to train owner managers in the areas of financial literacy, business plan preparation etc. They use experiential knowledge to impart subject knowledge and create networking opportunities.
How do trainers use skills to transfer the expertise to the trainees?	Trainers use communication skills such as non-technical communication, knowledge of different languages, and interactive training to transfer expertise.

Source: compiled by the author

The findings are presented below under the each research question.

Question no 1: How is trainer expertise defined?

The findings show that trainer's expertise refers to the business knowledge and experiential knowledge. The business knowledge of a trainer refers to the knowledge gained through the qualifications such as degrees/diplomas in business and undergoing Training of Trainers (TOT) programmes. Experiential knowledge refers to the knowledge gained through working with owner managers and own businesses.

The following quotations highlight how the trainers acquired business knowledge.

Enterprise Development Services Manager MFI-1 stated:

"When recruiting trainers, we look at their qualifications. We expect them to have a degree/diploma in business. We always send our trainers for Training of Trainers (TOT) programmes. We do not have a full time team of trainers. So we send selected branch managers and regional managers for these trainings. We provide training for our clients in the areas of financial literacy, business plan preparation, record keeping, marketing, costing, purchasing and inventory management. In addition, we provide training in communication and leadership as well"

The trainer of MFI-2 stated:

"Number of Training of Trainers (TOTs) undergone, educational qualifications in Business are important for a trainer. I am a Master trainer. I have participated in many TOT programmes. I have followed "Start and Improve Your Business (SIYB)", world renowned ILO certified business training programmes (TOT). Under which I learnt how to train the clients in the areas such as business plan preparation, record keeping, marketing, costing etc. It is difficult to follow these TOT programmes if you do not have a formal education in business. So formal education in Business and TOT are both important for business knowledge"

The following excerpt shows how the trainer acquires **experiential knowledge** in training.

The trainer of MFI-2 expressed:

"I have visited many business places and discussed business matters with clients. Moreover, I have come across many real life examples in the classroom when conducting training programmes. So I use this experience in the classroom when giving examples. We have some trainers who have their own businesses. I run a training firm so I know how to run a business. So always could relate my experience in the business in training"

Question 2: How do trainers use expertise to help owner managers?

The following quotation shows how the trainers help owner managers in areas, such as financial literacy, business plan preparation, record keeping, marketing, costing, purchasing, and inventory management. They imparted subject knowledge which was gained through the business knowledge they possess.

The trainer of MFI-1 stated:

"We provide training for our clients in the areas of financial literacy, business plan preparation, record keeping, marketing, costing, purchasing and inventory management. In addition, we provide training in communication and leadership as well. The business knowledge we have acquired from our qualifications and training undergone help provide these trainings"

The findings show that **trainers' experiential knowledge** gained through working with clients (trainees) could be used to transfer subject knowledge effectively and create networking opportunities.

The trainer of MFI-4 commented on how he used his experience in providing subject knowledge (e.g. costing, financial literacy) to trainees:

"When we conduct training sessions, we come across examples. For example, in one of my training programmes on costing, I found one trainee, in her garment business selling a blouse for Rs. 250. But when calculated the cost for blouse it was Rs. 252. So the trainee realized there was no point of doing the business. In another example, a trainee was selling ginger sweet, but taking

money from informal lender for a big interest resulting in a loss. So we pointed out that he should take loan from a bank for a less interest rate. So whenever I conduct training sessions, I highlight these real life examples so that trainees grasp the knowledge easily”

The trainer of MFI-5 explained how he used his experience in providing **networking opportunities** in training.

“In my training, I allow the trainees to network with each other. For example, in the classroom, there could be a client having a grocery and another client who produces yoghurt. So that yogurt client could sell his products to the grocery client. Further, I always give contact details of the Export Board and other buying agencies for the clients so that they can sell their products”

The owner managers interviewed were of the view that trainers need to possess good expertise in terms of business knowledge and experience.

Owner manager of MFI-6 stated:

“I have attended a number of business training programmes. The trainers were knowledgeable and experienced. I learnt how to maintain an inventory, marketing from the trainers. As you can see after the training, I implemented an inventory management system using the 5 S techniques. Now I can trace spare parts easily without wasting time. Further, I can maintain a minimum inventory which saves money. Further, due to the training I maintain a database of clients so that I can maintain good relationships with clients by sending them greeting cards and reminding our services”

Owner manager of MFI-1 expressed:

“I underwent a SIYB training conducted by the MFI. I attended 4 modules covering marketing, record keeping, accounting and costing. I learnt a lot from this training and as a result, I keep records now by myself. Earlier we used to hire a person for this. Further, when I was applying for a loan from a bank my business training and my record keeping helped me obtain the loan. The trainer who conducted this training was knowledgeable and experienced”

Question 3: How do trainers transfer the expertise to the trainees?

The findings show that the trainers need to know a number of skills to transfer the expertise to trainees. Unless they have the delivery skills they cannot transfer the expertise to the audience. Communication and interactive training were found to be important in transferring expertise to the owner managers.

Under communication the following sub themes of non-technical communication, motivational communication, languages used, and communication tools emerged.

Non-technical communication

The responses from all the trainers interviewed held the same view that the trainer should communicate clearly **without using technical language** (*i.e.* right level of language). Given the background of the owner managers (*i.e.* low formal education) trainer should not use jargon in training.

Enterprise Services Manager of MFI-2 expressed:

*“We always hire trainers who can work with the community (*i.e.* who can speak the village language). Thus, university lecturers may not be appropriate as they use technical terms in training”*

The trainer of MFI-6 stated:

“We do not use technical language in training programmes. Even if want to use them, we try to use them in a simple way. For example, debit /credit words are often used in accounting training conducted for the corporate sector. But for the micro finance sector, suitable simple words like “income and expenses” should be used instead of debit and credit”

The owner manager of MFI-1 expressed:

"Trainer needs to be able to communicate using simple words so that we can understand him"

Motivational communication

The findings from all six MFIs further showed that *motivational communication* of the trainer where the trainer made use of motivational strategies, was very important to retain the trainees in the classroom. In fact, the internal trainers of MFI-2 and the external trainer emphasised that motivational communication was more important than any other factors in training.

The trainer in micro finance setting is faced with several challenges when dealing with micro finance clients. For example, these clients are adults and often do not like to come to a classroom to learn and would like to learn from informal sources (*i.e.* friends, peers). Further, these clients do not have time for training as they are busy with their business and household activities. Hence, the trainer needs to be able to motivate the clients to retain them in the classroom by using motivational communication.

The trainer of MFI-2 expressed:

"In general, people do not like to attend training. It is our challenge to retain them. Besides, some clients are compelled to come since they have been asked by the lending institution. Some clients do come just to see whether the training is good. For example, one client from Matara (South of the country), owner of a salon who attended one of business training said that he attended the training only for one hour and ended up attending all five days. It is the skill of the trainer to retain the trainees. So we use communication methods to motivate them"

The owner manager of MFI-4 indicated:

"Trainer should be able to keep us in the classroom by motivating us"

The owner manager of MFI-3 added.

"Recognition and praises are very important in a training session. Those things motivate us to attend training"

Languages used

The findings also revealed that right language (*i.e.* Sinhalese, Tamil) is important in training which enhances clarity of task of the trainees.

The trainer of MFI-6 emphasised the importance of *using languages* effectively in the classroom

The trainer of MFI-6 stated:

"For training sometimes we have Tamil speaking attendees. So while we are using Sinhalese as language for the majority, we as trainers need to be able to provide instructions in Tamil also. If the trainer is not conversant in Tamil, then he needs to get somebody's help"

Communication tools

The findings show that trainers need to use special *communication tools* to clients who are illiterate in order to get them to divulge information and engage in communication. The findings show that trainers need to use the whiteboard for illiterate clients.

The trainer of MFI-2 expressed:

"In the classroom, we find clients who cannot read and write. So I then use the magi board effectively and use numbers and pictures to explain things to them. I have explained Business plan to these clients by using the board effectively"

The findings show that clients (trainees) are reluctant to communicate in the classroom as the training is done for a group of clients. However the trainers put effort to make them talk, by grouping them and giving individual attention.

The trainer of MFI-4 expressed:

"When we are providing record keeping training we select small groups (ex. 10-15). Then we can give one on one attention to trainees. Further, through group activities we have seen them talking"

Interactive training

The findings show that interactive training techniques used by the trainers in the classroom allow the trainers and the trainees to interact. The trainers used interactive role playing, problem solving, games and discussions that incorporate the life experiences of the participants. Interactive training improves the self-efficacy of owner managers to practice what is learnt. It was found that participatory workshops were more effective for owner managers than traditional lecture-based courses. The following are some selected quotations to demonstrate interactive training affects co-production.

The trainer of MFI-2 expressed:

“We use adult learning techniques in the classroom. We always make training simple. We create an environment in which the trainer can interact with trainees in the classroom while trainees can interact with other trainees through activities. For example, to teach how making use of resources efficiently, we introduce a game to trainees in which we ask the trainees to make a ring from a sheet of paper to put around an elephant’s neck. This is learning by doing and through experiences. In this process, owner managers first do it, then analyse it in the classroom and try to generalize it so that they can apply the knowledge and skills gained to their businesses. Interactive training is an effective training method”

The trainer of MFI-5 stated how they used group activities in training:

“We train them through group activities. Even financial literacy, we teach through group activities. It really works and the clients like it. In group activities, trainers can work closely with trainees. We used games also for training. But it did not work for our clients. They could not understand it properly.”

Owner managers interviewed across cases agreed that interactive training sessions really helped them learn.

The owner manager of MFI-2 stated:

“Trainers used a lot of games, interactive sessions. It was fun and the things we learnt were practical and we can apply in our businesses. During the sessions we were able to interact with the trainer and other trainees”

The interactive training techniques may improve deep learning as opposed to surface learning in traditional lecture-based learning. Further, findings also shed light on the effectiveness of techniques being used for different client segments. For example, games may not work for certain clients’ segments. This could be due to the client segment’s demographic profiles (ex. education, socio-cultural background).

The findings reveal that the expertise of the trainers may vary, based on the type of trainers that they use i.e. either internal or external trainers, and whether they employ full time/part time, client trainers, which is to a greater extent determined by the type of MFI itself (i.e. public, non-bank, bank, NGO) as chosen for the study. All the MFIs selected for this study used internal and external trainers. External trainers were used when internal trainers did not have the expertise. The findings also reveal that the clients prefer internal trainers over external trainers as they are familiar with internal trainers. In addition, it was found that MFI-1 which was a public company used internal trainers dedicated only to training and they had a training department. These trainers are highly competent and possess specialised expertise compared to trainers of other MFIs. In contrast, MFI-2, MF-3 and MFI-4 did not have full time dedicated trainers and they used their employees (i.e. managers, counsellors) as trainers by giving them training. MFI-5 and MFI-6 (i.e. government and NGO) used their clients as trainers. However, it was found that these client trainers were not as competent as trainers of other MFIs. Thus, MFIs need to think about maintaining a competent internal staff and should pay attention to whether they employ fulltime/part time or client trainers.

Discussion, Implications and Concluding Remarks

The findings show that trainer expertise in microfinance setting can be defined in terms of business knowledge and experiential knowledge. Trainers gain business knowledge through formal qualifications such as business degrees and diplomas and following training of trainers (TOT) programmes. Trainers absorb experiential knowledge by working with clients/owner managers and doing their own businesses. Trainers use business knowledge to impart subject knowledge in areas including financial literacy, business plan preparation, costing; whereas experiential knowledge is used to disseminate subject knowledge and create networking opportunities.

The findings also show that expertise of the trainers may vary based on the MFI. For example, MFI-1 with full time trainers had more expertise compared to trainers in other chosen MFIs. Further, the client trainers used by MFI-5 and MFI-6 did not have sufficient expertise. This is evident as they are not professional trainers.

The extant literature on microfinance has not defined the expertise properly nor has it identified the components of expertise which support different business areas (ADEMCO, 2001; De Wildt, 2004; Tilakaratne et al, 2009). Hence, the findings of this study are novel. The findings also reveal that trainers need to have different skills to transfer the expertise. It was found that the trainers need to use communication effectively. Use of non-technical communication, motivational communication, knowledge of languages, and communication tools are important to disseminate the expertise. Interactive training is an important technique used by the trainers to impart deep learning.

The findings relating to trainers' transfer skills are in agreement with the literature of small businesses, co-production, and marketing domains. Gibb's (1990) study on small businesses show that non-technical communication of trainers improves training in small business sector. Zorn and Ruccio (1998) highlight the importance of motivational communication between the sales managers and sales teams. Thus, it can be inferred that trainers also need motivational communication. However, literature on small businesses is silent on motivational communication. Nieman (2001) and Karlan and Valdivia (2006), claim that small business trainers should be competent in more than one language. ADEMCO (2001), Karlan and Valdivia (2006), ACCION (2005) and TJP (2003), show that trainers need to use communication tools, interactive training and adult training techniques such as visual illustrations, training videos, and participatory workshops to communicate effectively with adult clients that are often illiterate.

CONCLUSION

The findings of this study can be used by the practitioners and policy makers of microfinance to improve the effectiveness of the training intervention. MFIs need to consider educational qualifications and experience when selecting trainers and should give them opportunities to participate in TOT programmes. Further, trainers must be enlightened about the importance of using non-technical and motivational communication in training. Trainers must be encouraged to gain competency in different languages and communication tools. Moreover, they must be encouraged to use interactive learning and adult learning techniques in training. As the findings also reveal, the expertise of the trainer may be influenced the type of trainer (i.e. whether full-time, part-time, or client trainers), which in turn is largely determined by the type of MFI chosen for the study (i.e. public, bank, non-bank, NGO). As evidenced in MFI-1, it is better to have full time trainers who are highly competent and expertised. However, one also needs to think about the cost involved to maintain such a staff, which might be a factor as to why other MFIs opt to use part-time trainers. Nevertheless, MFIs using part-time trainers should give them proper training in order to improve their expertise. Further, MFIs which have client trainers need to provide more training to their staff as they were not as competent as the trainers in other MFIs. Therein, this study contributes to the knowledge domain of the business training of the microfinance sector. Future research can be done

in the microfinance sector in other countries and in the small business sector in order to broaden the knowledge horizon.

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ДОСЛІДЖЕННЯ ДОСВІДУ ІНСТРУКТОРІВ БІЗНЕС-ТРЕНІНГІВ: ДАНІ МІКРОФІНАНСОВИХ ОРГАНІЗАЦІЙ ШРІ-ЛАНКИ

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Мікрофінансові організації (МФО) проводять бізнес-тренінги для своїх клієнтів з метою поліпшення їх знань і навичок, щоб вони могли ефективно і результативно керувати своїм бізнесом. У МФО також можуть бути більш високі показники погашення кредитів за рахунок навчання бізнесу. Таким чином, бізнес-тренінг важливий як для МФО, так і для клієнтів. Для успішного проведення бізнес-тренінгів досвід інструкторів має велике значення. Отже, цілі цього дослідження полягають у тому, щоб визначити експертні знання, визначити, як експертні знання можуть допомогти клієнтам у їх ділових починаннях і визначити стратегії, використовувані інструкторами для передачі своїх експертних знань. Метод тематичного дослідження був використаний для проведення цього дослідження, і шість МФО Шрі-Ланки були використані в якості прикладів. Один менеджер, один тренер і один власник-менеджер / клієнт від кожної МФО були відібрані для інтерв'ю, і, отже, було проведено 18 глибоких інтерв'ю для збору даних. Результати показують, що досвід інструкторів складається з бізнес-знань і досвіду безпосередньо. Інструктори використовують бізнес-знання для надання предметних знань, таких як фінансова грамотність та підготовка бізнес-плану. Досвідчені знання використовуються для створення мережових можливостей, а також для надання предметних знань. Крім того, інструктори використовують такі стратегії, як інтерактивне навчання та спілкування для передачі досвіду. Результати цього дослідження були б корисні для практиків мікрофінансування, політиків, а також є внеском до галузі знань мікрофінансування.

Ключові слова: бізнес-тренінг, мікрофінансування, інструктори, досвід, мікропідприємства.

ИССЛЕДОВАНИЕ ОПЫТА ИНСТРУКТОРОВ БИЗНЕС-ТРЕНИНГОВ: ДАнные МИКРОФИНАНСОВЫХ ОРГАНИЗАЦИЙ ШРИ-ЛАНКИ

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Микрофинансовые организации (МФО) проводят бизнес-тренинги для своих клиентов с целью улучшения их знаний и навыков, чтобы они могли эффективно и результативно управлять своим бизнесом. У МФО также могут быть более высокие показатели погашения кредитов за счет обучения бизнесу. Таким образом, бизнес-тренинг важен как для МФО, так и для клиентов. Для успешного проведения бизнес-тренингов опыт инструкторов имеет большое значение. Следовательно, цели этого исследования состоят в том, чтобы определить

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экспертные знания, определить, как экспертные знания могут помочь клиентам в их деловых начинаниях и определить стратегии, используемые инструкторами для передачи своих экспертных знаний. Метод тематического исследования был использован для проведения этого исследования, и шесть МФО Шри-Ланки были использованы в качестве примеров. Один менеджер, один тренер и один владелец-менеджер / клиент от каждой МФО были отобраны для интервью, и, следовательно, было проведено 18 глубоких интервью для сбора данных. Результаты показывают, что опыт инструкторов состоит из бизнес-знаний и опыта. Инструкторы используют бизнес-знания для предоставления предметных знаний, таких как финансовая грамотность и подготовка бизнес-плана. Опытные знания используются для создания сетевых возможностей, а также для предоставления предметных знаний. Кроме того, инструкторы используют такие стратегии, как интерактивное обучение и общение, для передачи опыта. Результаты этого исследования были бы полезны для практиков микрофинансирования, политиков, а также вносят вклад в область знаний микрофинансирования.

Ключевые слова: бизнес-тренинг, микрофинансирование, инструкторы, опыт, микропредприятие.

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**DEVELOPMENT AND IMPLEMENTATION OF A STRATEGIC PERSONNEL
MANAGEMENT SYSTEM ACCORDING TO GOALS
BASED ON KEY PERFORMANCE INDICATORS**

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Abstract. In the conditions of competition and difficult economic situation, domestic thermal power companies face problems of ensuring their own efficient activity. This is significantly due to the low motivation of the company staff and its productivity. Therefore, an important direction for improving the performance of such businesses will be to create an effective system of direct material incentives for employees, especially with regard to optional bonuses or targeted bonuses based on the use of the KPI. **The study is aimed** at the development of a strategic personnel management system according to goals based on key performance indicators. **The article proposes** an approach to developing a Management by Objects (MBO) system based on absolute and relative numerical indicators of the Key Performance Indicators (KPI) performance of the organization as a whole and the decomposition of goals at the level of individual business processes and functional responsibilities of the units. **Methodology:** In the course of the research general, scientific, theoretical and empirical methods were used, among which are the following: analysis and generalization of literature on the research topic, methods of observation and comparison, structural methods, methods of coordination and formalization, graphical and tabular representation of data. The theoretical and practical database of the strategic personnel management system according to goals is considered as an information base of the research. **The scientific significance** of the work is that the issue of developing such a system for a municipal enterprise is covered, whose activity depends on the regulatory policy of the state. The role of key performance indicators of KPI is determined as an effective tool in the system of direct material incentives, which assesses the efficiency and effectiveness of business processes, actions and functions of management, specific production, technological and other activities. The reasons that makes it impossible to use KPI without a comprehensive program for improving the personnel management system are analyzed and identified. **The practical significance** of the results of the study is that a detailed step-by-step scheme for improving the personnel management system is proposed, which will enable the development and implementation of the KPI system to be developed. The use of KPI in the strategic personnel management system will allow the manager to better control the processes of operating activities, create real indicators of the implementation of the enterprise strategy and improve productivity.

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Keywords: strategy, key performance indicators, management to goals, personnel.

JEL Classification: A13, D20, L10, M12.

INTRODUCTION

The reform of the housing and utilities sector in the context of European integration forces domestic heat power companies to improve their activities. The problem of the availability, development and implementation of a strategy for their development is being raised more and more often, which implies increasing the efficiency of activities based on the growth in the volume and quality of housing and utility services. These tasks are complicated by the lack of regulatory documents and state mechanisms for implementing modern personnel management systems at heat power plants that are subordinate to local self-government bodies. The specifics of forming tariffs by the main type of economic activity of such enterprises are determined by the requirements of the national commission that carries out state regulation in the fields of energy and utilities on the principle of reaching the break-even point. This approach makes it impossible to create an additional fund for the system of direct financial incentives. Therefore, one of the main tasks to achieve the strategic goals of a municipal enterprise is to develop an effective system of direct material incentives for employees, especially in terms of non-mandatory payments or targeted bonuses, which is based on the use of a system of key performance indicators (KPI).

LITERATURE REVIEW

Development and implementation of a management system according to goals "Management by objectives" (MBO) using key performance indicators (KPI), today refers to the most common approaches of modern strategic personnel management. Peter Drucker (2008) is the founder of the MBO "management by goals", which was later refined by R. Kaplan and D. Norton (1996), D. Hope and R. Fraser (2003). Modern ideas and tools for the implementation of this system are presented in the works of many economists and specialists in human resource management, among which the research of K.K. Klochkov (2009) and P. R. Niven (2003) deserves special attention.

Most of the researches do not present the detailed comprehensive approach and practical recommendations for improving the management of personnel of a municipal-owned enterprise, which is necessary for the development and implementation of the strategic management system by goals based on key performance indicators.

PAPER OBJECTIVE

The purpose of the study development of a strategic personnel management system according to goals based on key performance indicators

METHODOLOGY

In the course of the research general, scientific, theoretical and empirical methods were used, among which are the following: analysis and generalization of literature on the research topic, methods of observation and comparison, structural methods, methods of coordination and formalization, graphical and tabular representation of data. The theoretical and practical database of the strategic personnel management system according to goals is considered as an information base of the research.

RESULTS AND DISCUSSION

To develop a system of strategic personnel management of an enterprise that would allow

evaluating the effectiveness of operational activities and the development and implementation of a strategy, we consider the concept of personnel management by results or goals, which was developed by the American economist Peter Drucker back in the 50s of the XX century. (P. Drucker and J. Maciariello, 2008). This concept – Management by Objects (MBO) – is a system that is the basis of the philosophy of top managers, since it is recognized as one of the best approaches to personnel management and allows you to detect the goals and performance criteria of employees, individual departments or the entire organization and coordinate common resources to achieve the goals that are put forward.

The basis of this method (goal management system) consists of five main principles:

- goals are developed both for the organization and for each of its employees (they are consistent with the goals of the organization);
- goals are developed “top-down” to ensure communication with the strategy and “bottom-up” to achieve relevance with employees;
- it is mandatory to involve employees in joint work with the superior to make decisions;
- qualitative assessment of the work done and constant feedback;
- all goals must comply with the “SMART” rule so that they can be used to build an effective system of staff motivation.

Among these principles, the most important for strategy development is the setting of intermediate goals, since they help the organization to consistently implement the developed strategy in accordance with the company's mission (M. Crumpton, 2015). To generate goals, it is used the SMART rule, whose name comes from the first letters of the goal setting criteria: Specific (specific); Measurable (measurable); Agreed (agreed); Realistic (real) or Relevant (relevant, correlates with other tasks); Timed (determined by time) (G. Doran, 1981).

The main drawback of the MBO was the absence of correlation between the system and the strategy, so in 1992 the goal management system was modified by D. P. Norton and R. S. Kaplan based on the developed balanced scorecard (BSC) (R. Kaplan and D. Norton, 1996). This system includes blocks of balanced (linked) indicators of both financial and non-financial nature, and allows you to assess the degree of achievement of goals in terms of 4 perspectives: finance; clients; internal processes; growth and development (Figure 1) (R. Kaplan and D. Norton, 2001).

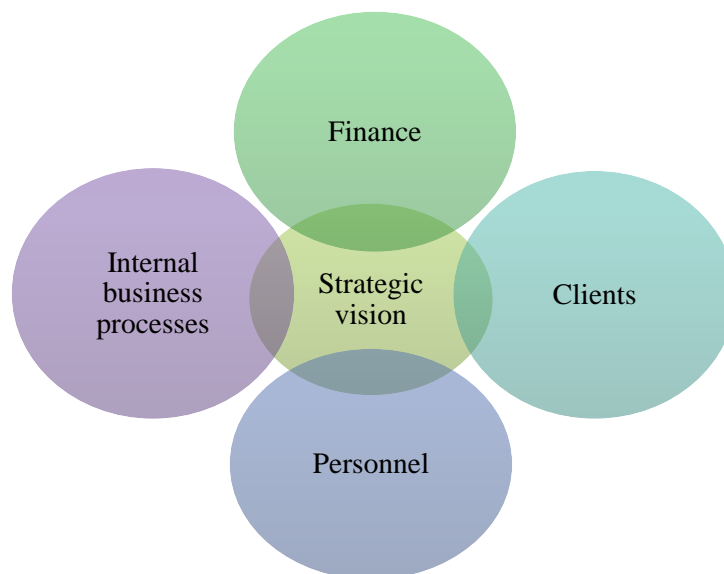


Figure 1. The company's prospects by the balanced scorecard

Source: after R. Kaplan and D. Norton, 2001.

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Thus, the MBO was supplemented with a system of balanced indicators (each of the perspectives corresponds to its own set of targets), which allow combining the strategic vision with a system of key performance indicators (KPI). The result is a tool (KPI) that helps you to measure the strategic and operational performance of your business, its effectiveness, and solve motivation problems (O. Doronina, 2018).

Accordingly the developed system is based on the overlapping of the system and process approaches to management and includes the features of two methods, proving the relationship between the employee motivation and the efficiency of the enterprise as a whole (J. Hope and R. Fraser, 2003). In other words, the use of the KPI system allows employees to focus on solving operational tasks and achieving the company's strategic goals.

Since the system of balanced indicators developed by D. P. Norton and R. S. Kaplan was focused only on the strategy and indicators for the large western enterprises of private ownership, many economists and scientists were interested in adapting it for enterprises of other forms of ownership (the state budget, non-for-profit companies, self-supporting municipal services, etc.) and other market segments (small and medium-sized businesses), as well as adjusting the system to the specifics of national economies and the legal sphere.

One of the researchers who worked on developing the system of key performance indicators (KPI) for state and non-profit enterprises in the context of a balanced scorecard was P. G. Niven (P. Niven, 2003). However, his adapted system is also focused mainly on western practice, which does not take into account the realities of the domestic economy and can not be used by municipal heat power enterprises without adaptation and refinement. And only in 2010, the leading economist and consulting expert A. K. Klochkov proposed the system of key performance indicators (KPI) for private companies adapted to the conditions of the CIS countries (A. Klochkov, 2009).

Based on the information from the studied sources, it can be concluded that in order to develop and implement a goal-based management system based on KPI at domestic enterprises, it is necessary to correctly adapt the national economy and legislation (M. Burbidge, 2009). To implement it at the enterprise, it is necessary to improve, unify and optimize the existing personnel management system.

Based on the research the authors propose to improve the system of strategic personnel management of a municipal heat power enterprise using key performance indicators in the form of a scheme (Table 1).

The first phase is creating and agreeing upon the strategic vision of changes and their need, analyzing the existing systems of personnel management, holding a strategic session with CEO and top managers on the creation of centers of responsibility for change and the group of innovators.

The analysis makes it possible to identify the need to adjust and unify the organizational structure; regulations on divisions; job descriptions; and regulation of business processes.

After detecting inconsistencies in existing regulatory documents, a communication map is developed, which is a tool for optimizing business processes and a form of visualization of distribution of information flows in the company, of control points of information peak, of distribution of responsibility for various business processes, of distribution of functional load of departments. In other words, the communication map is the basis for further description of business processes, because it represents the functional load in detail.

The development of a communication map with detailed functional responsibilities makes it easy to analyze the work performed to determine the functional load on the specialist within the company's tasks and to normalize them. Its use is aimed at identifying "bottlenecks", eliminating duplication of functions, standardizing and optimizing the organizational structure, and establishing internal communications of divisions.

Table 1

*Scheme of implementation of the KPI system
at the municipal enterprise of heat power engineering*

№п/п	Measures to implement the KPI system
1	Development of a communication (functional) map
1.1	Conducting a survey of employees of the company (3150 staff units)
1.2	Processing of questionnaire data
1.3	Processing information with line managers
1.4	Rationing time for performing functional duties
1.5	Identification of the main functional responsibilities of divisions
1.6	Identify the necessary communication links between divisions
2	Regulation of business processes
2.1	Identification and description of the main processes
2.2	Development of a (causal) process map
2.3	Development of regulations (orders) for the implementation of business processes
3	The development of an optimal organizational structure
3.1	Development of proposals for making changes to the organizational structure and reallocation of functional responsibilities of divisions to optimize business processes and improve labor efficiency.
3.2	Standardization of the structure
3.3	The adjustment of the organizational structure
4	Developing job descriptions
4.1	Adjustment of main and additional job responsibilities
4.2	Setting personal goals for positions
4.3	Description of the position communications
5	Description of the communications position
5.1	Adjusting the main and additional division assignments
5.2	Setting goals for divisions
5.3	Description of department communications
6	Development of bonus targets
6.1	Conducting strategic sessions with TOP managers
6.2	Selecting key goals for the functional responsibilities of divisions
6.3	Calculating the weight of the impact of selected indicators on the financial result of the enterprise
6.4	The development of the goal tree
6.5	Certification of indicators
6.6	Analysis of indicators using the benchmarking method
6.7	Setting the limit values and the step to achieve the target values of indicators
7	Introduction of the KPI system
7.1	Correction of existing regulatory documents regulating the system of financial incentives
7.2	Development and approval of the Order on the introduction of the KPI system
7.3	Development of informational posters
7.4	Conducting strategic sessions with line managers

Source: Own development

The information on functional responsibilities is performed through a survey of all employees of the enterprise (Figure 2).

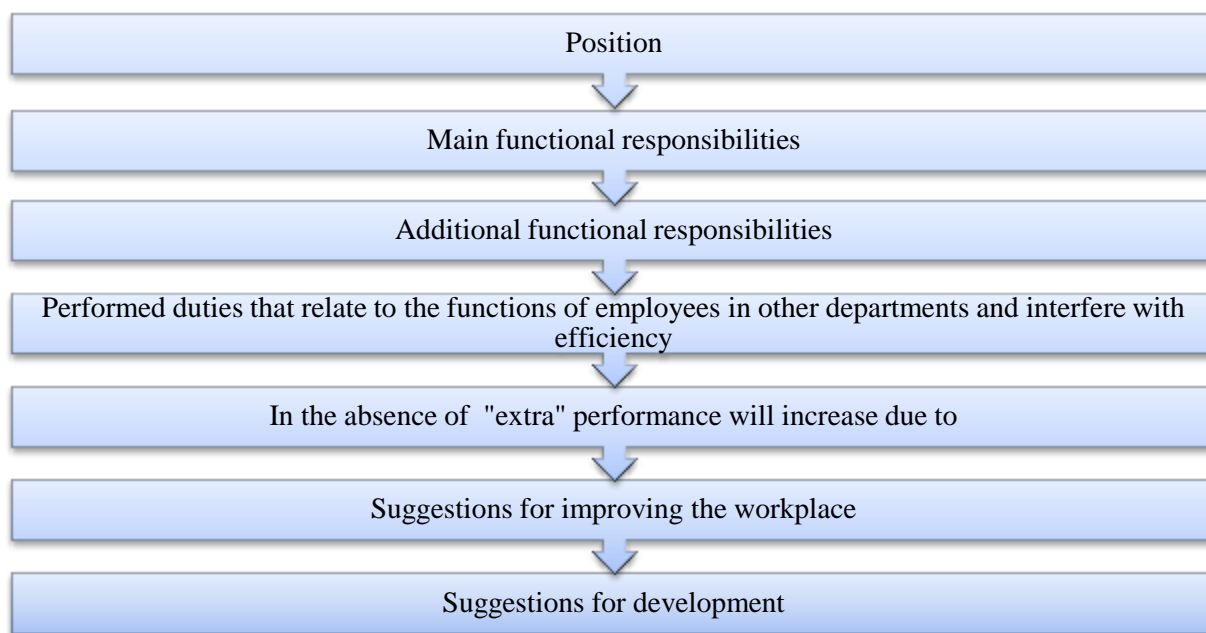


Figure 2. Questionnaire for developing a functional map

Source: Own development

The processing involves the execution of several standard procedures: digitizing the collected data; synthesis of all collected questionnaires for primary and additional responsibilities of one position, their unification in a single communication and functional sheet; processing profiles with line managers to establish the best and the worst case execution time of operations (min-max), the frequency of execution of work (annually, semiannually, quarterly, weekly, daily, etc.); substantiation of necessity of work performance (regulations, rules, orders); establishing communication links with other departments; rationing FEC (full-time employment) work time by the quartile method.

After processing the questionnaires, the actual functional responsibilities of the divisions are formed from the information received and their workload is calculated.

A communication map is formed from the communication data, which in turn is overlapped with the functional map and forms the communication and functional map of the enterprise (A. Karpenko and A. Shudrik, 2018).

The second stage is the regulation of business processes, which provides the development of business processes models of functional responsibilities and the creation of regulations, updating instructions.

Noteworthy is the approach (R. Kaplan and D. Norton, 1996), according to which seven types of business processes and the main functions of each group are defined:

- input main processes ensure timely delivery and storage of components necessary for the main production, their timely transfer to production and processing with minimal material and time costs;
- production business processes ensure the production of the main types of products with the lowest cost of time and finance, as well as the move of products to the warehouse;
- outgoing business processes are aimed at selling, storing and shipping the main type of products with minimal time and cost, as well as meeting the needs of the buyer;
- business processes of the 1st kind, aimed at ensuring the normal functioning of the main and additional business processes;

- business processes of the 2nd kind, aimed at ensuring the normal functioning of business processes of management;
- tactical business processes focused on tactical enterprise management, development of management decisions for specific types of enterprise activities;
- strategic business processes providing strategic management of the enterprise, development of ways to develop the enterprise.

Today, modern enterprises distinguish three groups of processes: end-to-end processes that occur in several divisions of the enterprise and cross the boundaries of functional divisions; processes of divisions which activities are limited to one functional division; operations of the lowest level of decomposition of the enterprise's activities.

Processes can be characterized by several groups of indicators: process indicators are numerical values that characterize the course of the process and its costs (time, financial, resource, human, etc.); result indicators are numerical values that characterize the product (service) as a result of the process (the absolute volume of services, the volume of services relative to the ordered or required, the number of errors and failures in the provision of services, the measure of product compliance with requirements, etc.); customer satisfaction indicators.

Based on the data received, the information about existing and new business processes is generated in the form of a “process map” reflecting all business processes and their relationship. Business processes are also classified, resulting in the development of business goals and policies, and implementation of the planning strategy.

Process identification is performed according to the business process description model, which consists of: the process name; the process code; the content, goals, functions, the place of this process among other processes, the order of execution of the process in the form of a flowchart or algorithm; the owner of the process; standards, entry and exit points, resources and parameters that are measured; planned indicators; necessary resources (J. Hope and R. Fraser, 2003).

Relationships are established between the types of activities (functions of divisions) and their reflection – processes. Identification is provided based on the coincidence of goals, as well as the coincidence of other features – input and output flows, management actions, resources used, and so on.

The business process regulation is the main document that explains to employees how to complete the process, requirements for inputs/outputs, requirements for activities, management and responsibility for the business process. The rules of the business process are to be understandable and useful to end-users. As an additional tool for understanding the business process, business process maps are attached to the regulations.

In general, the regulations may consist of 6 sections and appendices:

- the first section “Business Process Assignment” describes the purpose and scope of the regulations;
- the second section "Terms and Definitions" forms the conceptual apparatus of the regulations;
- the third section “Process Boundaries” presents the limitations of the scope of the business process, clearly indicates its boundaries;
- the fourth section “Business Process Management” is intended for managers and the person responsible for the process, since it describes the plan, measures to control and directions for improving the business process;
- the fifth section “Structure of the Business Process” forms an idea of the structure and responsibility within the business process for the person responsible for the process and its participants;
- the sixth section “Description of the Business Process” contains the general description of the process and the description of sub-processes for the performers to achieve maximum success.

The result of the regulation stage is to identify the main processes, model and create

regulations, instructions, and develop a (causal) process map.

At the third stage standardization and optimization of the organizational structure is performed according to the functional responsibilities and goals of business processes, which involves the following works: standardization of organizational structures; development of organizational structure diagrams.

The fourth stage ensures the development of job descriptions and provisions on subdivisions and the main tasks include: adjustment of basic and additional duties; adjustment of the primary and secondary purpose units.

It is only after standardization, description of business processes and definition of actual functional responsibilities of divisions that we can proceed to the fifth stage of developing the system of direct material motivation based on key performance indicators. Accordingly, the following main activities are carried out: conducting strategic sessions with TOP managers to set goals and create an updated tactical and strategic vision based on communication and functional and strategic maps; selecting key goals of functional tasks of divisions; developing the tree of goals; establishing a procedure for calculating indicators; assigning of a person responsible for calculating; assigning of a person responsible for submitting the certificate on awarding; assigning of a person responsible for negotiating of award; preparing of the passport of the indicator, matching the head.

The established system of indicators is included in the current Regulation on direct financial incentives or targeted bonuses, and regulations and orders are developed .

One of the latest methodological concepts of strategic personnel management is the methodology for developing "strategic maps" (S. Patil and R. Kant, 2012; R. Gashi, 2013). The map is built on a hierarchical basis. All the goals, sub-goals and tasks of the entire enterprise team are built in the map and are reflected in four perspectives – all the actions of the staff are interconnected and have indicators that show how the plan is being implemented, how fast the goals are being achieved (P. Niven, 2003). So, a strategic map is a fairly simple and visual way to reflect the organization's strategy, visualize the goals and objectives of the staff in the context of four development perspectives (finance; clients; internal processes; growth and development). The functional purpose of strategic maps is to create a unified strategic vision for management, distribute the strategy among employees of the enterprise and transfer it to the operational level of activity, that is, to daily operational processes. The strategic map is a document that begins the development of the goals tree and further implementation of the personnel management system according to goals.

The main strategic objective of the Concern "Miski Teplovi merezhi", which has the strategy map developed, is to reach a breakeven point and to create conditions for income generation that will improve financial stability by improving its competitiveness. The strategic goal is the general target that the activity of the enterprise manager is aimed at, it is the main reference point and indicator of the efficiency and effectiveness of the entire enterprise team.

The implementation of the strategic goal will allow us to fulfill the mission of the enterprise established by the city Council, namely, maintaining the centralized heat supply system of the city of Zaporizhzhia, providing reliable, high-quality heating and hot water services, and reducing the financial burden on the city budget. This will reduce social tension by approving transparent social tariffs, reduce the cost of production and thereby improve the financial condition of this business entity, and the company's staff – decent compensation, which will encourage them to realize their professional and creative potential. Based on the objectives of the global strategy of the entity under study, within the framework of building a strategic map, goals for its four main projections are formed and cause-and-effect relationship between them is determined.

At the top level of the strategic map, there is a projection "Finance", which covers the whole range of measures to increase profitability and reduce expenses, and cost of services. Cost reduction is possible by approving reasonable tariffs for services, reducing production, transportation and sales costs, reducing costs associated with recalculations for low-quality services and losses for non-provision of services, reducing costs associated with penalties and compensation payments.

A level lower is the “Customers” perspective, which is considered as the consumer base and market segment in which the entity operates. The projection covers the goals of increasing the customer base by retaining existing and attracting new customers to sell main products, and entering the market by diversifying services, performing system analysis (social and marketing research) and creating a unified consumer base.

Internal business processes perspective is aimed at reaching the following goals: diversification of services to expand the activities offered to perform services for the maintenance of internal networks of residential buildings, to perform metrological services such as verification, configuration and repair of heat meters and water meters; development of project and budget documentation at the design bureau, work on the foreign market.

The “Personnel” projection is the center of the strategic map, since all business processes are performed by personnel, whose productivity determines the efficiency of the enterprise (Figure 3).

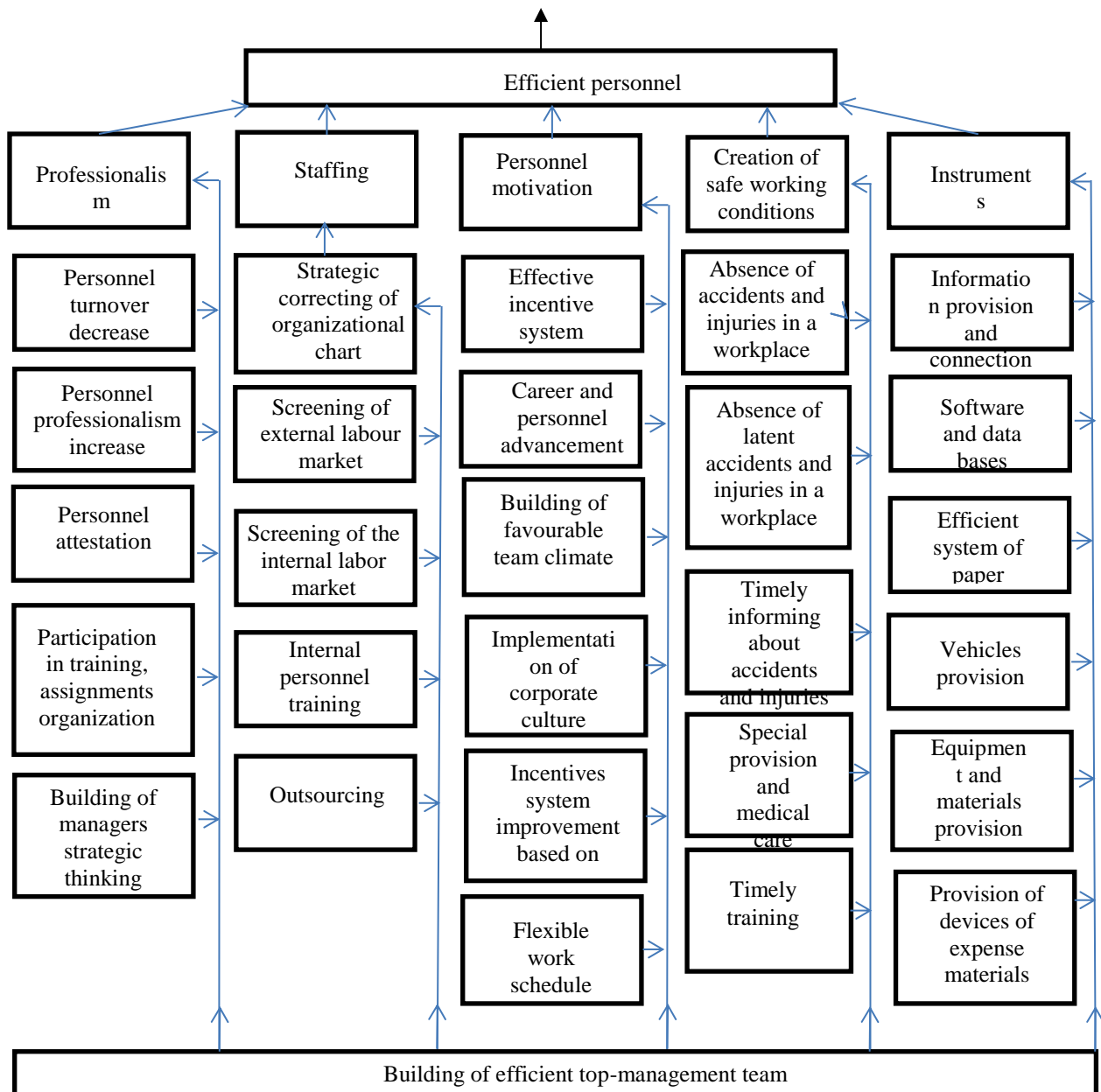


Figure 3. Projection “Personnel” of the strategic map of the Concern “Miski Teplovi Merezhi”

Source: Own development

That is why the main goal of this projection is to create an effective workforce, which is achieved by implementing a number of objectives: improving the professionalism of employees; staffing; motivation of staff; creating safe working conditions. It is necessary to build a team of top managers that will develop and implement a strategy for each of the perspectives and tasks.

Based on the developed strategic map, one can proceed to the tree of goals, which will allow to formalize the strategy directions to specific indicators and the address belonging of these indicators to structural divisions and performers (D. Hussey, 1998; V. Robinson, 2007). In other words, the formation of the tree of goals (tree-whole) is making a structured hierarchical list of enterprise goals, in which lower level goals are subordinate and serve to achieve higher level goals within the framework of strategic management.

To sum it up, we can note that the development of a strategic map, which is formalized by the goal management system based on KPI, is supported by material incentives. For the company's administration, it can become a very effective tool for managing financial indicators and staff motivation. This can be achieved by conscious spreading a certain system among managers at various levels and all employees, by defining their place and role in specific business processes, understanding what specific financial results are affected by their work, and by gradually accepting the goals of the company (enterprise) for their goals.

In general, strategic management requires a well-established goal-setting mechanism, that includes logical progression from a more abstract general foresight to concrete forecasting and further programming. Strategic management allows to consciously plan and choose priority areas of development in the four areas of BSC, coordinate and establish teamwork of top managers of the company to achieve the overall result.

CONCLUSION

The lack of a regulatory and methodological framework for managing by goals today restricts the use of appropriate tools at state and municipal enterprises. Using modern tools for management by goals in practice requires a complex creative individual approach, which includes five stages: 1) audit of the existing personnel management system, formation of strategic vision of changes in the company's management, creation of a change implementation center and a cross-functional group of innovators; 2) improvement of the existing personnel management system (in terms of: optimization and standardization of the organizational structure; reallocation and assignment of additional and cross-functional responsibilities to responsible persons; elimination of duplication of functional responsibilities and "bottlenecks" in business processes; transition from a formal approach to the real use of job descriptions and regulations at departments; identification of real workload of divisions through optimization of existing business processes; 3) adaptation of existing tools for management by goals and development of unique KPI; 4) monitoring the performance of indicators and feedback from staff; 5) using a strategic approach to management and mandatory connection of the selected strategy with specific goals and KPI of divisions.

A goal-based management system using KPI has been implemented at the municipal heat power company that can ensure: compliance with the principles of objectivity (assessment of labor contribution), timeliness (minimizing the gap between labor results and receiving incentives), noticeability (effectiveness of the bonus), transparency (accessibility of the remuneration system provision). Its main distinctive features are: targeted affiliation in relation to each individual business process, decomposition to the level of line managers and performers, clarity, ease of measurement and correlation of indicators, which contributes to the individual motivation of each employee, certainty in labor functions.

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**РОЗРОБКА ТА ВПРОВАДЖЕННЯ СИСТЕМИ СТРАТЕГІЧНОГО УПРАВЛІННЯ
ПЕРСОНАЛОМ ЗА ЦІЛЯМИ НА ОСНОВІ КЛЮЧОВИХ ПОКАЗНИКІВ
ЕФЕКТИВНОСТІ**

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У статті запропоновано підхід до розробки системи стратегічного управління персоналом за цілями (Management by objects - MBO), що виконується на основі абсолютних та відносних числових показників ефективності Key Performance Indicators (KPI) діяльності організації в цілому та декомпозиції цілей на рівні окремих бізнес-процесів і функціональних обов'язків підрозділів. Висвітлюється питання розробки такої системи для муніципального теплоенергетичного підприємства діяльність якого залежить від регуляторної політики держави. Визначається роль ключових показників ефективності KPI, як дієвого інструменту в системі прямого матеріального стимулювання за яким оцінюється ефективність та результативність бізнес-процесів, дій і функцій управління, конкретної виробничої, технологічної та іншої діяльності. Проведено аналіз існуючої ситуації та визначено причини, що унеможливають використання KPI без комплексної програми з вдосконалення системи управління персоналом. Запропоновано обґрунтовану детальну поетапну схему з вдосконалення системи управління персоналом, що надасть змогу перейти до розробки та впровадження системи KPI. Використання системи KPI у системі стратегічного управління персоналом за цілями дозволить керівнику краще контролювати процеси операційної діяльності, створити реальні індикатори реалізації стратегії підприємства та підвищити продуктивність праці.

Ключові слова: стратегія, ключові показники ефективності, управління за цілями, персонал.

**РАЗРАБОТКА И ВНЕДРЕНИЕ СИСТЕМЫ СТРАТЕГИЧЕСКОГО УПРАВЛЕНИЯ
ПЕРСОНАЛОМ ПО ЦЕЛЯМ НА ОСНОВЕ КЛЮЧЕВЫХ ПОКАЗАТЕЛЕЙ
ЭФФЕКТИВНОСТИ**

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В статье предложен подход к разработке системы стратегического управления персоналом по целям (Management by objects – MBO), выполняющийся на основе абсолютных и относительных числовых показателей эффективности Key Performance Indicators (KPI) деятельности организации в целом и декомпозиции целей на уровни отдельных бизнес-процессов и функциональных обязанностей подразделений. Освещается вопрос разработки такой системы для муниципального теплоэнергетического предприятия, деятельность которого зависит от регуляторной политики государства. Определяется роль ключевых показателей эффективности KPI, как действенного инструмента в системе прямого

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материального стимулирования, по которому оценивается эффективность и результативность бизнес-процессов, действий и функций управления, конкретной производственной, технологической и иной деятельности. Проведен анализ существующей ситуации и определены причины исключающие возможность использования КРІ без комплексной программы по совершенствованию системы управления персоналом. Предложена обоснованная подробная поэтапная схема по совершенствованию системы управления персоналом, которая позволит перейти к разработке и внедрению системы КРІ. Использование системы КРІ в системе стратегического управления персоналом по целям позволит руководителю лучше контролировать процессы операционной деятельности, создать реальные индикаторы реализации стратегии предприятия и повысить производительность труда.

Ключевые слова: стратегия, ключевые показатели эффективности, управление по целям, персонал.

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**THE EFFECT OF EXPERTISE ON EMPLOYEE PERFORMANCE
WITH WORK MOTIVATION AS INTERVENING VARIABLE**

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Abstract. This study is **aimed** at analyzing the effect of expertise on employee performance in PT Dinamika Abadi Medan with work motivation as an intervening variable. This research involved 124 company employees. Data analysis **tools** used in hypothesis testing were validity, reliability and path analysis. The research **results** showed that expertise had a significant effect on employee performance in PT Dinamika Abadi Medan. It means that the higher the expertise provided, the higher the employee performance in PT Dinamika Abadi Medan. Expertise significantly impacted the work motivation of employees in PT Dinamika Abadi Medan. It means that the higher the expertise provided, the higher the work motivation of employees in PT Dinamika Abadi Medan. Work motivation had a significant effect on employee performance in PT Dinamika Abadi Medan. This case means that the higher the employee work motivation, the higher the employee performance in PT Dinamika Abadi Medan. The empirical test resulted in Z count (36.0) > Z table (1.96) so that work motivation could mediate the relationship between expertise and employee performance. Therefore, H4 was accepted. This case means that the higher the expertise provided, the higher the employee work motivation so that employee performance increased as well.

Keywords: expertise, work motivation, employee performance, company bussiness, human resources.

JEL Classification: O15, M51, M54.

INTRODUCTION

The entrepreneurship world is now required to create high employee performance for developing companies. Companies must be able to build and improve performance in their environment. Several factors influence the success of the company. One significant factor is human resources because human resources are actors of all levels, from planning to evaluation; they can take advantage of other resources owned by the organization or company (Dito, 2010). The human resources of a company play an essential role. The workforce has excellent potential to carry out company activities. The potential of every human resource in the company must be utilized as well as possible to provide optimal output.

Syawaluddin, Erwin and Joni (2020), "The effect of expertise on employee performance with work motivation as intervening variable", *Management and entrepreneurship: trends of development*, Vol. 2, Issue 12, pp. 36-47, available at: <https://doi.org/10.26661/2522-1566/2020-2/12-03>

The achievement of company goals does not only depend on modern equipment, complete facilities, and infrastructure but rather depends more on the people carrying out the work. Employee performance strongly influences the success of an organization. Every organization and company will always try to improve employee performance to achieve the company goals. Therefore, the company must improve its performance so that all agreed goals can be achieved.

The success or failure of the company to achieve the agreed goals or targets significantly requires employees who support all the vision and mission of the company. Efendi (2002) argued that performance is the result of work produced by employees or actual behavior performed according to their roles in the organization or company. The formation of excellent employee performance is expected to compete with other companies so that the company can be recognized as a quality company (Damayanti et al., 2013). The progress of a company can be seen from the comparison of targets set by the company with the realization of the performance achieved.

Apart from employee performance, work expertise is one of the main elements in employment because a person can complete the work according to the duties and responsibilities of the organization. Hence, organizational goals can be achieved effectively and efficiently (Simamora, 2004, p. 337). The effectiveness of management within an organization will succeed if the organization can recognize individual differences. Gibson stated that to understand individual differences, leaders must be able to: 1). Observe and recognize differences; 2). Study the behaviors affecting the individual; 3). Finding the relationship between these variables. Many people understand each employee must own a valuable asset, namely, expertise. Basically, the employee expertise will be beneficial in completing tasks and work provided by the company. However, some people could not understand this case well. They work with not optimal expertise so that automatically, they have reduced their performance in doing the tasks and work given. Along with that, Efendi (2002) argued that motivation is the factor that directs and encourages someone's behavior or desire to carry out an activity expressed in the form of hard or weak work. Understanding of employee motivation will be very crucial concerning achieving goals, namely, maximum organizational performance. Therefore, one of the best ways to increase employee performance capacity is by connecting expertise to work motivation.

Companies really need to maintain and motivate employees to improve their performance further to enhance the company's performance. In the end, the company is not only superior in competition but also able to maintain its survival, even increase profitability and develop its business (Nugroho, 2009). Hasibuan (2002) said that one of the goals of providing expertise is motivation. If the services provided are large enough, the manager will easily motivate his subordinates. According to Robbins (2007), motivation is a process that plays a role in the intensity, direction, and duration of individual efforts towards achieving goals. If an employee considers that the expertise provided by the company is in accordance with employees' expectations, then they will be motivated to improve their performance. The results of interviews with several employees revealed that the performance of PT Dinamika Abadi's employees decreased significantly due to the decline in the expertise of PT Dinamika Abadi's employees. Each employee's expertise was not in line with company expectations. Based on research gaps and phenomena that occur in PT Dinamika Abadi, this study was conducted by re-testing and conducting a scientific study entitled Effect of Expertise on Employee Performance with Work Motivation as Intervening Variables in PT Dinamika Abadi Medan.

LITERATURE REVIEW

Employee Performance

Employee performance is the work of quality and quantity achieved by an employee in carrying out their duties based on the responsibilities given to him (Mangkunegara, 2009). The level of success performance includes quantitative and qualitative aspects. Meanwhile, according to

(Siswanto in Sandy, 2015, p. 11), performance is an achievement of someone in carrying out the tasks and jobs given to him. Understanding of performance, according to Moeheriono (2012, p. 95), namely performance, or performance is a picture of the achievement level of the implementation of activities or policies in realizing the goals, objectives, vision, and mission of the organization as outlined through the strategic planning of an organization. Employee performance indicator, according to Edison, et al. (2017, p. 193) is to achieve or assess performance; some dimensions serve as benchmarks, namely targets, quality, time of completion, compliance with principles.

Expertise

Expertise is an interest or talent that must be possessed by someone. Expertise enables people to carry out and complete tasks correctly with maximum results. People's expertise can be obtained from formal or non-formal education, which later must be continuously improved. One source of increased expertise can come from experiences in a particular field (Wardani, 2010). Robbins (2006, p. 46) defined that expertise is the capacity of individuals to carry out various tasks in certain jobs. An Individual's abilities are basically composed of two sets of factors, namely intellectual and physical abilities. Hasibuan (2003) revealed that expertise includes three indicators, namely: 1. Technical skills include the ability to apply specific knowledge or expertise. All jobs require a number of specific skills, and many individuals develop their technical expertise at work. 2. Human skills (ability) consisting of the ability to work together, understand, and motivate others, both individually and in groups. 3. Conceptual skills are mental ability to analyze and diagnose complicated situations.

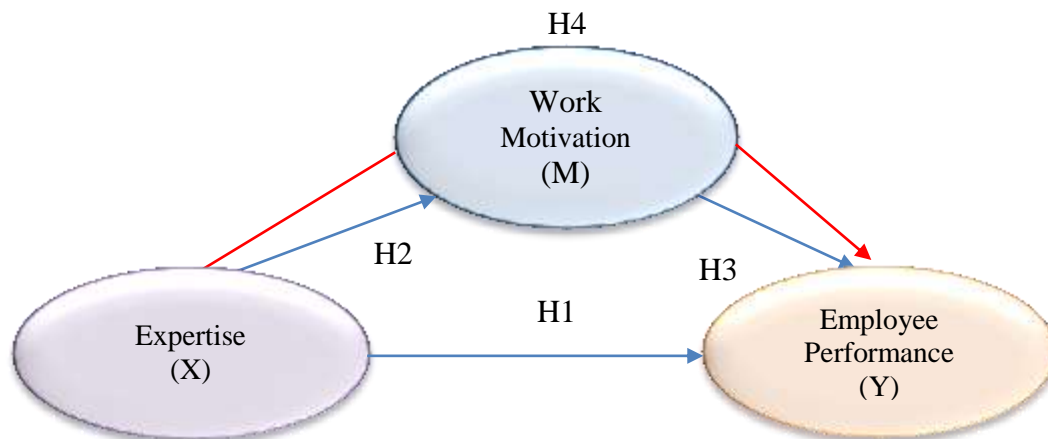
Work Motivation

Pamela and Oloko (2015) stated that motivation is the key to a successful organization in maintaining the continuity of work in the organization with a strong way and assistance to survive. Chukwuma and Obiefuna (2014) addressed that motivation is the process of arousing behavior, maintaining behavioral progress, and channeling specific behavioral actions. Thus, motives (needs and desires) encourage employees to act. Steers and Porter (in Miftahun and Sugiyanto 2010) stated that work motivation is an effort that can create behavior, direct behavior, and maintain behavior appropriate to the work environment in the organization. Work motivation is a basic human need derived from expertise, expected to meet the desired basic needs. Those needs impact on the success of an activity. Employees with high work motivation will try to get their work done as well as possible. Indicators of work motivation, according to Maslow in Sofyandi and Garniwa (2007, p. 102), are namely physiological, security, needs, appreciation, and self-actualization needs.

PAPER OBJECTIVE

This study is aimed at analyzing the effect of expertise on employee performance in PT Dinamika Abadi Medan with work motivation as an intervening variable.

Framework



Notes:

- = Direct relationship between variables
- = Indirect relationship (mediation)

Figure 1. The Effect of Expertise on Employee Performance in PT Dinamika Abadi Medan with Work Motivation as Intervening Variable

Source: Own compilation

METHODOLOGY

Population

Populations in the research were 124 employees of PT Dinamika Abadi.

Sample

There were 124 employees in this study counted since the observation until questionnaire distribution.

Data Collection Methods

Data collection methods are observation. interview. literary study. questionnaire. This study used a Likert scale consisting of strongly disagree. disagree. quite disagree. agree. strongly agree. Every answer was given value with the following scales: Strongly agree= 5. Agree= 4. Quite agree= 3. Disagree= 2. Strongly disagree= 1 (Sugiyono, 2009, p. 172).

Data Analysis Technique

Descriptive Statistical Analysis

The descriptive statistical analysis focuses on collecting, processing, presenting, and analyzing data (Wahyuni, 2011, p. 12).

Statistical T-Test

Criteria of test with a significance level of 0.05 were determined as follow:

If the significance $t > 0.05$, the hypothesis is refused (regression coefficient is not significant)

If the significance $t < 0.05$, the hypothesis is accepted (regression coefficient is significant).

Path Analysis

This research employed path analysis. The following is the similarity:

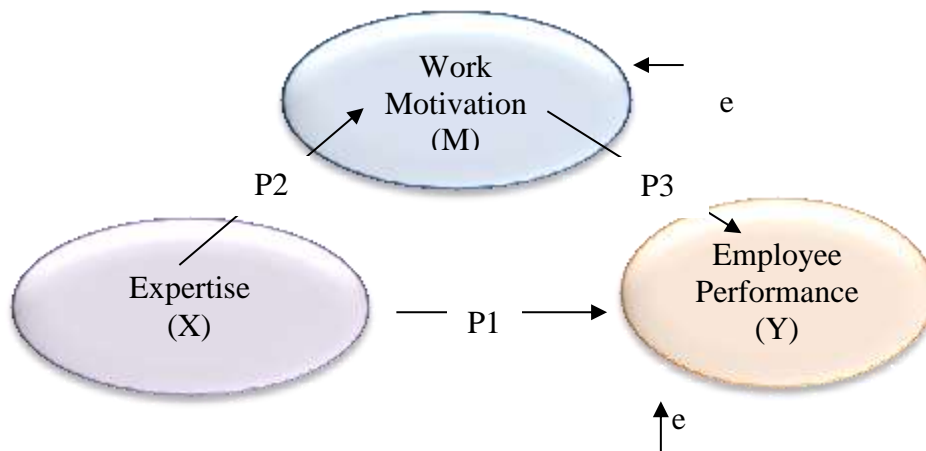


Figure 2. Model Analisis Jalur (Path Analysis)

Source: Own compilation

The structural equation is the multiple of the regression test as follow:

$$M = \beta_1 X + e \dots\dots\dots(\text{Model 1})$$

$$Y = \beta_1 X + \beta_2 M + e \dots\dots(\text{Model 2})$$

Notes:

- Y : Dependent variable. namely employee performance in PT Dinamika Abadi
- M : Mediation variable. namely motivation in PT Dinamika Abadi.
- X : Independent variable. namely Expertise
- $\beta_{1,2}$: Regression coefficient
- e: Error

Path Analysis

The regression analysis was done using SPSS 22.0 with the following results to predict parameter. Substructure 1: $M = \beta_1 X + e$

The results of data analysis calculation are as follow:

Table 1

Coefficients of Substructure 1 (Model 1)

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	23.363	2.060		11.342	.000
X	.625	.064	.338	3.972	.000

a. Dependent Variable: M

Substructure 2 : $Y = \beta_1 X + \beta_2 M + e$

The results of data analysis calculation are as follow.

Table 2

Coefficients of Substructure 2 (Model 2)

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	15.017	3.356		4.475	.000
X	.638	.078	.220	2.420	.017
M	.719	.103	.193	2.125	.036

a. Dependent Variable: Y

Based on calculations on substructures 1 and 2, the direct and indirect effects, as well as the total effect between variables, could be identified. The following is the calculation of the effect between variables.

Table 3

Direct Effect, Indirect Effect and Total Effect of Expertise. Work Motivation and Employee Performance

Variable		Direct Effect	Indirect Effect through Work Motivation	Total Effect
Expertise	Employee Performance	0.188	0.056	0.244
Expertise	Work Motivation	0.255	-	0.255
Work Motivation	Employee Performance	0.219	-	0.219

Source: Managed Data, 2019

The structural equations for this research model are:

Substructure 1:

$$M = \beta_1 X + e_1$$

$$M = 0.255 X + 0.734$$

$$Pe_1 = \sqrt{1-0.457} = 0.734$$

Substructure 2:

$$Y = \beta_1 X + \beta_2 M + e_2$$

$$Y = 0.188 X + 0.219 M + 0.734$$

$$Pe_2 = \sqrt{1-0.457} = 0.734$$

Checking model validity

There are two indicators to check model validity, namely the total determination coefficient and trimming theory as follows. The results of total determination coefficient:

$$R^2_m = 1 - (1-0.457) (1-0.457)$$

$$R^2_m = 0.705$$

It means that the diverse data that can be explained by the model was 70.5 percent or in other words, the information contained in the data of 70.5 percent could be explained by the model, while the remaining 29.5 percent was explained by other variables (not contained in the model) and error.

Trimming Theory

The validity test on each path for direct effect was the same as the regression, using the p-value of the t-test, namely testing the variable regression coefficient partially standardized with expertise (X) to work motivation (M) was 3.972 sig 0.000, with expertise (X) to employee performance (Y) was 2.420 with sig 0.017, with work motivation variable (M) to employee performance (Y) was 2.125 with sig 0.036.

Regression Analysis of Mediation Variable Using Sobell Test Method

The test of mediation variable mediating the relationship between dependent and independent variables consisted of the following stages: Indirect effect of expertise to employee performance through work motivation:

$$\begin{aligned}a &= 0.255 \\sa &= 0.064 \\b &= 0.219 \\sb &= 0.103\end{aligned}$$

Counting the S_{ab}

$$\begin{aligned}Sab &= \sqrt{b^2sa^2 + a^2sb^2 + sa^2sb^2} \\Sab &= \sqrt{(0,048 * 0,004) + (0,065 * 0,011) + (0,004 * 0,011)} \\Sab &= 0.001\end{aligned}$$

Counting the ab

$$\begin{aligned}ab &= 0.255 \times 0.219 \\ab &= 0.036\end{aligned}$$

Counting Z

$$\begin{aligned}Z &= \frac{ab}{Sab} \\Z &= \frac{0,036}{0,001} \\Z &= 36.0\end{aligned}$$

Determining Z-table with significance level of 0.05 was 1.96. Comparing Z-count (36.0) to Z-table (1.96). The conclusion is work motivation could mediate the relationship between expertise and employee performance.

Model Interpretation

The Effect of Expertise on Employee Performance

Based on the calculation results, the research significance level showed that the expertise variable significantly influenced employee performance by 0.017 < 0.05, so H1 was accepted. In other words, the first hypothesis that expertise had a positive and significant effect on the employee performance in PT Dinamika Abadi Medan could be accepted.

The Effect of Expertise on Work Motivation

Based on the calculation results, the research significance level of expertise variable to work motivation was 0.000 < 0.05, so H2 was accepted. In other words, the second hypothesis that

Syawaluddin, Erwin and Joni (2020), "The effect of expertise on employee performance with work motivation as intervening variable", *Management and entrepreneurship: trends of development*, Vol. 2, Issue 12, pp. 36-47, available at: <https://doi.org/10.26661/2522-1566/2020-2/12-03>

expertise had a positive and significant effect on work motivation in PT Dinamika Abadi Medan could be accepted.

The Effect of Work Motivation on Employee Performance

Based on the calculation results, the research significance level for the work motivation variable to employee performance was $0.036 < 0.05$, so H3 was accepted. In other words, the third hypothesis that work motivation had a positive and significant effect on the employee performance in PT Dinamika Abadi Medan could be accepted.

The Effect of Expertise on Employee Performance through Work Motivation Mediation

With the following criteria:

The calculation resulted in $Z_{\text{count}} (36.0) > Z_{\text{table}} (1.96)$. It means that work motivation could mediate the relationship between expertise and employee performance.

RESULTS AND DISCUSSION

The Effect of Expertise on Employee Performance

Based on the empirical test results, the research significance level for the expertise variable had a significant effect on employee performance by $0.017 < 0.05$. Therefore, H1 was accepted. In other words, expertise had a significant effect on employee performance in PT Dinamika Abadi Medan.

The Effect of Expertise on Work Motivation

Based on the empirical test results, the research significance level for the expertise variable to work motivation was $0.000 < 0.05$. Hence, H2 was accepted. In other words, expertise had a significant effect on work motivation in PT Dinamika Abadi Medan.

The Effect of Work Motivation on Employee Performance

Based on the empirical test results, the research significance level for the work motivation variable to employee performance was $0.036 < 0.05$, so H0 was rejected, and H3 was accepted. In other words, work motivation had a significant effect on employee performance in PT Dinamika Abadi Medan.

The Effect of Expertise on Employee Performance through Work Motivation Mediation

Based on the empirical test resulted in $Z_{\text{count}} (36.0) > Z_{\text{table}} (1.96)$. It means that work motivation could mediate the correlation between expertise and employee performance.

CONCLUSION

The conclusions of this study are as follows:

Based on the empirical test results, the research significance level showed that the expertise variable significantly influenced employee performance with a correlation value of 0.188 and a significant value of $0.017 < 0.05$, so H1 was accepted. In other words, expertise had a significant effect on employee performance in PT Dinamika Abadi Medan. This case means that the higher the expertise provided, the higher the employee performance in PT Dinamika Abadi Medan. Based on the empirical test results, the research significance level was obtained for expertise variable to work motivation with a correlation value of 0.255 and a significant value of $0.000 < 0.05$, so H2 was accepted. In other words, expertise had a significant effect on work motivation in PT Dinamika Abadi Medan. This case means that the higher the expertise provided, the higher the work motivation of employees in PT Dinamika Abadi Medan. Based on the empirical test results, the research significance level was attained for work motivation variables to employee performance with a correlation value of 0.219 and a significant value of $0.036 < 0.05$, so H3 was accepted. In other words, work motivation had a significant effect on the employee performance in PT Dinamika

Abadi Medan. This case means that the higher the employees' work motivation, the higher the employee performance in PT Dinamika Abadi Medan. The empirical test resulted in Z count (36.0) > Z table (1.96) so that work motivation could mediate the relationship between expertise and employee performance. Therefore, H4 was accepted. This case means that the higher the expertise provided, the higher the employee work motivation so that employee performance increased as well.

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ВПЛИВ ЕКСПЕРТИЗИ НА ЕФЕКТИВНІСТЬ ПРАЦІВНИКІВ З УРАХУВАННЯМ МОТИВАЦІЇ ЯК ПРОМІЖНОЇ ЗМІННОЇ

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Дане дослідження спрямоване на аналіз впливу експертизи на продуктивність співробітників в PT Dinamika Abadi Medan з урахуванням мотивації в якості проміжної змінної. В даному дослідженні взяли участь 124 співробітника компанії. Інструменти аналізу даних, що використовуються при перевірці гіпотез: валідність, надійність і аналіз шляху. Результати дослідження показали, що експертиза мала значний вплив на роботу співробітників в PT Dinamika Abadi Medan. Це означає, що чим вище рівень проведеної експертизи, тим вище ефективність роботи співробітника в PT Dinamika Abadi Medan. Експертиза істотно вплинула на трудову мотивацію співробітників в ПТ «Динаміка Абаді Медан». В ході дослідження було виявлено, що чим вище рівень проведеної експертизи, тим вище й трудова мотивація співробітників в PT Dinamika Abadi Medan. Трудова мотивація мала значний вплив на ефективність роботи співробітників в PT Dinamika Abadi Medan. Відповідно, чим вище мотивація працівника, тим вище його продуктивність в PT Dinamika Abadi Medan. Емпіричний тест показав, що трудова мотивація може опосередковувати взаємозв'язок між досвідом і ефективністю співробітників і привів до висновку, що чим вище рівень проведеної експертизи, тим вище мотивація працівника, тому продуктивність праці співробітника також збільшується.

Ключові слова: експертиза, мотивація праці, результативність співробітників, бізнес компанії, людські ресурси.

ВЛИЯНИЕ ЭКСПЕРТИЗЫ НА ПРОИЗВОДИТЕЛЬНОСТЬ РАБОТНИКОВ С УЧЁТОМ МОТИВАЦИИ КАК ПРОМЕЖУТОЧНОЙ ПЕРЕМЕННОЙ

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Данное исследование направлено на анализ влияния экспертизы на производительность сотрудников в PT Dinamika Abadi Medan с учётом мотивации в качестве промежуточной переменной. В данном исследовании приняли участие 124 сотрудника компании. Инструменты анализа данных, используемые при проверке гипотез: валидность, надёжность и анализ пути. Результаты исследования показали, что экспертиза оказала значительное влияние на работу сотрудников в PT Dinamika Abadi Medan. Это означает, что чем выше уровень проводимой экспертизы, тем выше эффективность работы сотрудника в PT Dinamika Abadi Medan. Экспертиза существенно повлияла на трудовую мотивацию сотрудников в ПТ «Динамика Абади Медан». В ходе исследования было выявлено, что чем выше уровень проводимой экспертизы, тем выше трудовая мотивация сотрудников в PT Dinamika Abadi Medan. Трудовая мотивация оказала значительное влияние на эффективность работы сотрудников в PT Dinamika Abadi Medan. Соответственно, чем выше мотивация работника, тем выше его производительность в PT Dinamika Abadi Medan. Эмпирический тест показал, что трудовая мотивация может опосредовать взаимосвязь между опытом и эффективностью сотрудников и привел к выводу, что чем выше уровень проводимой экспертизы, тем выше мотивация работника, поэтому производительность труда сотрудника также увеличивается.

Ключевые слова: экспертиза, мотивация труда, результативность сотрудников, бизнес компании, человеческие ресурсы.

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**POLY-SCIENTIFIC ESSENCE OF THE “CONSUMPTION” CATEGORY
THROUGH THE PRISM OF ITS SAFETY**

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Abstract. The transformation of economy and society of Ukraine especially in conditions of European integration makes goods and services consumption safety to become one of the prerequisites of state economic security. This is due to the intensification of intra-systemic threats from socio-economic and political crisis, the low purchasing power of the population, the saturation of the internal market with dangerous goods and services and their negative impact on the environment. In this case, the theoretical and methodological basis of consumption safety is imperfect. It is necessary to investigate the change of the essence of the concept of “consumption” in time and space and its relationship with safety category. **The aim** of research is to determine the features of ensuring safety of consumption as an object of study of various sciences. **Methodology:** theoretical and methodological basis of the study are the fundamental basics of security studies, economics, global science, philosophy, ecology, political science, consumption. To ensure the conceptual integrity of the study, the following methods have been used: theoretical generalization, comparison, dialectics, analysis and systematization; institutional analysis; brainstorming, office research. **The scientific importance** of the work is that the essential characteristics of the “consumption safety” category have been determined as: the structure, needs, nature of their satisfaction and interests, rationality and value orientation, connection with production and its purpose in economic terms; motivational factors, behavioral patterns, social conditions, mass culture and culture of consumption in sociological terms; features of consumer behavior, their individual selection criteria, form and models of consumption, methods of evaluation of goods in psychological terms; “green consumption”, “balance between man and nature”, “survival of man as a species” in ecological terms; the concept of “philosophy of security of consumption”, the society of consumption and consumerism, as its extreme form, which opposes the society of development in philosophical terms; the need to improve the institutional framework in political and legal terms. **The value** of the research is that it is increasingly necessary to overcome the threats of consumption safety as for individuals, so for states in sustainable development terms.

Key words: consumption of goods (services), consumption safety, consumption society, green consumption.

JEL Classification: A13, E21, H56.

INTRODUCTION

Today the problem of meeting basic needs is increasingly exacerbated due to resource depletion and the risk of anthropogenic environmental impacts. The relevance of this area of research is confirmed by the interest in it from the world scientific community: for example, members of the Roman Club emphasize the need for the world to undergo rapid and fundamental transformation of production and consumption systems in order to achieve the goals of the Paris Agreement (Weizsaecker and Wijkman, 2018) international and transnational corporations, supranational, global organizations. Sustainable consumption and production was identified as one of the seventeen UN Global Sustainable Development Goals (United Nations Ukraine, 2017).

In Ukraine the problem of ensuring consumption safety is complicated by the impact of endogenous factors, which necessitates the importance of paying close attention to this issue. If we consider safety as a state of any object, for which it does not threaten anything and a priori consider it a normal desire of every subject of market relations, then it is necessary to investigate the change of the essence of the concept of "consumption" in time and space and its relationship with security category.

LITERATURE REVIEW

Consumption of goods (services) remains an interdisciplinary field of research for economists, philosophers, psychologists, sociologists, ecologists based on the use of specific scientific tools. In developed countries there are being actively investigated the problem of responsible, rational, sustainable consumption and production (J. Gonteles, T. Jackson, F. Capra, L. Mikaelis, D. Fedrigo), sociological and psycho-emotional factors of consumption (E. Dunn, M. Norton, S. Lubomirski). Significant contribution to the research was made by domestic scientists (A. Grishnova, A. Kotenko, A. Kolot, O. Melnichenko, L. Pogorila, T. Saltevskaaya). Ukrainian scientists pay attention to consumer behavior and consumer culture, national security principles and the "art of living" in a society of risk (O. Dzoban, V. Gorlinsky, O. Khilko, N. Lisitsa, N. Stepanenko, G. Sorokina, L. Shipilova). Despite the considerable amount of scientific research, the polystructural nature of the consumption category as a key determinant of sustainable development, its interdisciplinary nature causes a blurry interpretation of its nature, in particular with regard to consumption safety.

PAPER OBJECTIVE

The purpose of the article is to determine the features of ensuring consumption safety as an object of study of various sciences.

RESULT AND DISCUSSION

In the beginning consumption was considered only by economic science as a prerequisite for achieving production goals. Later the foundations of a sociological approach to individual consumption were laid. The close interconnection and interdependence of both the categorical apparatus and the scientific schools that study them, lead to the assignment by different scholars of the works of certain authors to different directions of scientific thought (for example, thematic works by K. Marx, T. Veblen, J. Bodyard and others refer to political economy, sociology, philosophy).

The consumption process, in particular the personal one, has always been the focus of research of political economy and economic theory. In this aspect, it can be regarded as the final stage of social reproduction associated with the destruction or reprocessing of a product, as well as the satisfaction of an existing and emerging need (Saltevska, 2009). In some domestic and most

English-language publications, the importance of consumption is disclosed without reference to the goal to meet needs (Business Dictionary, 2020; My Accounting Course, 2020). In our view, this somewhat narrows the essence of the concept, distinguishing between production and consumption, and thus contributing to the emergence of new or exacerbation of existing contradictions. Ukrainian researchers, in particular V. Marcin (Marcin, 2006), state that “the problem of the consumer as a whole, his place in market relations, protection of his rights has at the same time economic, social and political aspect” (Figure 1).

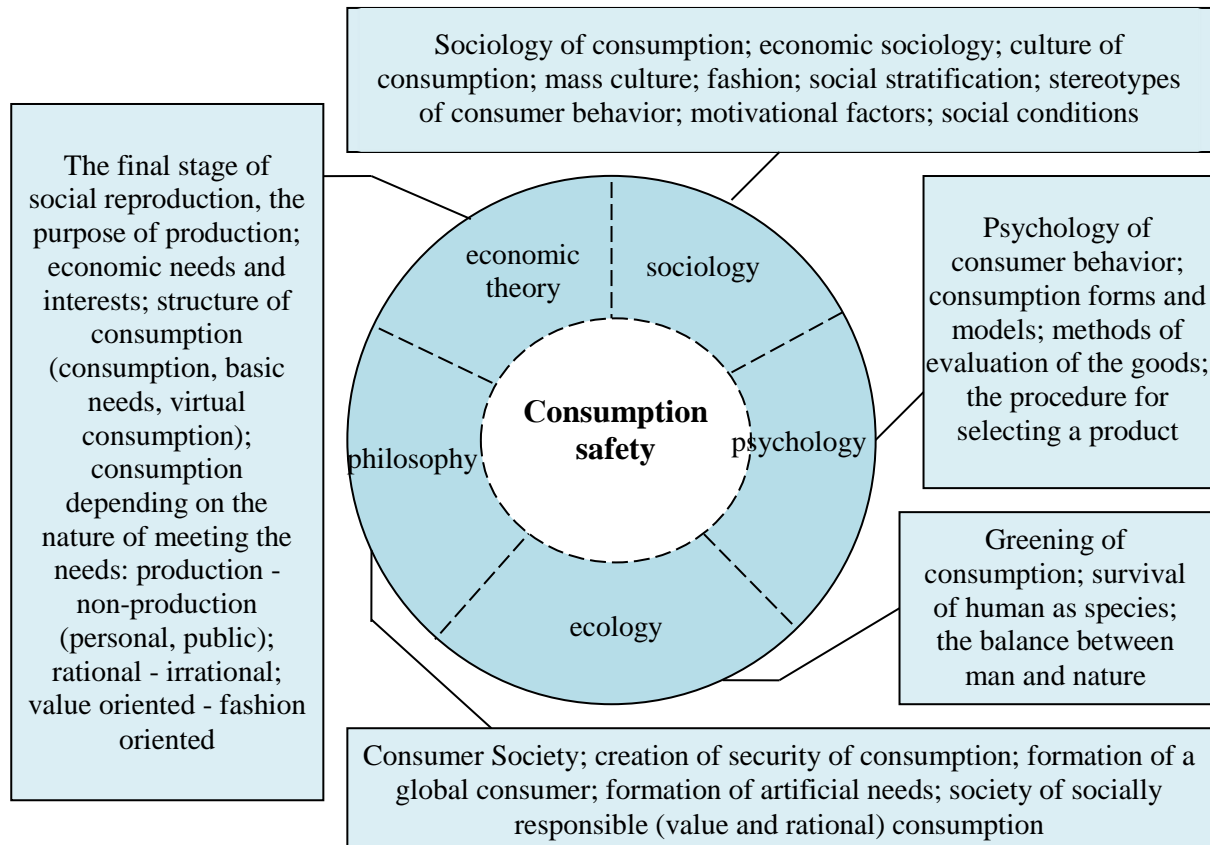


Figure 1. Essential characteristics of the poly-scientific category of “consumption safety”

Source: compiled by the author

According to T. Saltevska consumption “forms the socio-economic basis of creating human potential, creative personality” (Saltevska, 2009), generates motivation for work, improves the standard and quality of life. In general, while agreeing on the importance of the relationship “consumption – production”, we should note that for security of consumption at the current stage of society and consumption development exchange plays a decisive role, namely as for the influence on choice through communication.

Consumption research, depending on the nature of needs (production and non-production), proves that the most vulnerable and, therefore, threatening, is personal consumption, since the decision-making processes in industrial and public consumption are more regulated and rational, and therefore better organized and controlled. In addition, for any type of consumption, the final decision is made by a particular person (group of persons), thus, to some extent, personal consumption can be considered primary in relation to others, and its goals – the basis of any economic activity.

Nowadays, when one seeks to determine the main moments of consumption considering no longer the natural but artificially created environment, we are talking about the transition from the primary needs related to the physical state to the intellectual and spiritual (Delyagin, 2003, p. 196; Vasilchuk, 2001, p. 14; Inozemtsev, 2000, p. 42; Tyutyunnikova and Saltevska, 2009, p. 25). S. Tyutyunnikova and T. Saltevska hypothesize that personal consumption changes occur both on a global scale and within a transformational economy (Tyutyunnikova and Saltevska, 2009, p. 26). We can agree that consumption "... has its own characteristics at every historical stage of development. In society, not only the goals of personal consumption change, but also the nature of its interaction with needs and production. During the development, the link between them is weakening, as a result of the crises of overproduction, hunger, restriction of consumption in favor of savings" (Saltevska, 2009, p. 34).

Considering the safety of consumption in the context of meeting the needs of a person according to his or her cultural level, we support V. Marcin (Marcin, 2006), who refers safety to the basic factors of consumer choice. However, we cannot agree with the statement of M. Butko, A. Nezhivenko, T. Pepa that security is first and foremost a peace of mind that brings a service or product that can be relied upon; durability, reliability, guarantees of product lifetime (Butko, Nezhivenko and Pepa, 2016). Today, the consumer should not dwell solely on the safety of a product or service, but must also take into account the safety of consumption in general, on the criterion of health, environment, future development.

The sociology of consumption allows us to understand the transformational processes in cultural and economic consciousness and behavior of both the individual and the whole society on the basis of systematic knowledge. At the present stage, it develops in two directions: one based on economic principles, the other examines consumption, using semiotic, historical, ethnographic analysis to study the symbolic nature of consumption (Shkonda, 2015, p. 35). The object of the study of economic sociology is not the process of technological (industrial) consumption, but the consumption of individuals, in which the act of purchase and the act of consumption are viewed in terms of stereotypes of consumer behavior as a whole (Matveyev and Lysota, 2006, p. 14).

The definition of behavioral styles in the consumption process is the task of both sociology and psychology. New forms and patterns of consumption, based more on individual motivational factors, also depend on the external social conditions (socio-economic, cultural, political) that dominate the society. Thus, in the US and Western Europe, producers' interest in the psychology of consumer behavior, their methods of assessing goods and selection procedures arose in the face of increased competition, the saturation of markets with identical goods due to the widespread use of mass marketing (Kovalisko and Dombrovskaya, 2012, p. 38). Consequently, psychology considers consumption within the framework of tools and mechanisms of influence on consumer behavior (choice according to certain characteristics of the goods: color, shape, size, smell, etc.; the influence of advertising) (Vansink, 2004).

Consumption in the context of impact on environment is explored by ecology. The concept of "greening consumption" means the process of ecologically improving the consumption of products and services with ecologically oriented demand as the key factor (Melnik, 2006).

According to (Saltevska, 2008), the wastefulness in Western society of consumption, which is spreading due to globalization, has led to increased anthropogenic load on the environment, bringing humanity to disaster: the ecological balance is destroyed and irreversible processes occur (Moiseev, 1994, p. 131). Illustrative in this aspect is the use of the concept of footprint that demonstrates the scale and impact of human activity on the environment. With the escalation of the ecological crisis, the survival of human as a species, including both basic needs and development, as essential to human survival and a high level of human science, culture and consciousness, must be the primary goal of consumption for the necessary transformations for ensuring the balance of nature and man (Tyutyunnikova and Saltevska, 2009, p. 26). According to I. Efimchuk, the source of development is the conflict between nature and the human environment, but now this development is carried out under the influence "not from the outside, but from inside, generated by

the will and activity of man, as well as by functioning of the institutes of society that he created” (Efimchuk, 2005, p. 145).

The problem of consumption has an important place in the philosophical search, and regulation of the process of consumption requires the study of the theoretical and methodological foundations of consumer mechanisms as a social phenomenon and an independent scientific problem within the philosophy of consumption safety. Together with the increase in the supply of high-tech goods (services), the risks and threats of mismatch between technical parameters and the harmful effects on human and environment are increasing. According to O. Dobriden, consumption transformations in Ukraine have gone into a stage of “irreversibility”, since, on the one hand, they are connected with private interests, and, on the other, with the standardization of consumer culture and the disappearance of interest in the critical analysis of the basic principles of being in the ordinary citizens (Dobriden, 2011, pp. 158-159). Such a statement raises concerns about security threats not only to consumption but also to national security in general, however, in our view, more research is needed. It is expedient to agree with the author's thesis that a system of consumption based solely on economic and political grounds is extremely negative for the individual, and the imperfection of the institutional base of consumption for taking into account the impact of new technologies leads only to a formal inspection of this process (Dobriden, 2011, p. 165; Baudriyar, 2004, p. 130). It is also pertinent to consider the author's remark that the basic elements of the consumption process should be considered in the context of influencing human biophysiology and psychology (Dobriden, 2012, p. 84), however, in our opinion, the proposed aspects of consumer activity (outlook-symbolic, religious, cultural, demographic, food, medical, environmental, household, electrical, construction) should be generalized in order to solve modern problems in complex as this one to ensure consumption safety.

Consumption research has been updated with the development and expansion of a consumption society that transforms a person into a consumer who does not think about the need to ensure sustainable development and preserve life on the planet. The crisis phenomena of personal consumption are manifested in the disintegration of the established links between needs, production and consumption, in deep institutionalization and transformation of consumption into an important factor of economic growth, which is the logical consequence of the formation of permanently unmet consumer demand (Saltevska, 2009, p. 49). Among the negative characteristics of the consumption society, the most significant impact on consumption safety is made by such facts: (1) the consumer is dependent on advertising and consumer society norms; (2) consumption society leads to increased environmental degradation; (3) consumers are manipulated and artificially generated (in particular by TNCs), which may or may not be appropriate for each country; (4) giving excess value to consumption leads to its becoming the ultimate goal and meaning of existence, the sphere of self-expression (Saltevska, 2008; Thomas, 1997, p. 56).

Concerning the positive aspects of consumption society, identified in the work of T. Saltevska (Saltevska, 2009, p. 57), in view of the importance of consumption safety, it can be said that: (1) on the basis of high social standards, consumers demand for environmental friendliness is increasing; (b) as a mature stage of market economy development, consumption has a developed legal basis. However, such a logic of thinking is contradictory, especially in the conditions of our country with its permanently unstable political, economic and social situation. The same author points out that a socially responsible consumption society characterized by limited, rational consumption with the motive of responsibility for future generations should become an alternative to the consumption society. In Tyutyunnikova and Saltevska (2009, p. 26) contrast to the last one, a new model – value and rational consumption – is proposed. It aims at satisfying reasonable needs and, at the same time, reflects the values of a single holistic organism – human and nature and which can be formed in a social market economy. This approach should be recognized as unrealistic, since in the conditions of our country as more probable, we consider the gradual provision of the mentioned features (Tyutyunnikova and Saltevska, 2009), which will facilitate its formation. It is also difficult to agree

with the proposed statements, since consumption remains a key category in the process of human life and development. In addition, the concept of "responsibility" implies external constraints, frameworks, the need to respond, which is not always perceived as an incentive for development. Instead, consumption in a sustainable development environment may be seen as a desire to improve living conditions for consumers themselves and future generations.

D. Fredrigo and J. Gonteles emphasize that "the transition to sustainable consumption and production schemes should mean more than simply allowing consumers to buy products that are a little more sustainable. The "madness of growth" as characteristic of the material consumer economy, of course, obscures any sustainability, the advantage of such "sustainable consumer purchases". So we return to discussions about the positive growth, the relevance and the need to pursue a policy of promoting a "degrowth" or "steady-state" economy to replace the volatile assumptions that have been built, honed and secured over the last 200 years (namely, consumption promoting as a mean of stimulating the economy and supporting production) to find promising solutions for the 21st century and beyond" (Fedrigo and Hontelez, 2010, p. 11; Tukker et al., 2010, p. 2).

It should be noted that in the work of T. Saltevska (2009, p. 14) it is proved that in modern conditions for the humanity the problem of security is complicated by the background of instability, increasing number and variety of threats in the life of society. At the same time, in the hierarchy of human needs, meeting basic needs becomes an integral part of the security of the consumption process, a significant component of which is food security. Food consumption is increasing risks and the importance of security is being updated due to the scarcity of food resources, the spread of diseases caused by food poisoning and substandard products. Not only the consumption of food increases the risks for humans, but also the consumption of information, entertainment and tourism services through threats of manipulation of people's consciousness, growing instability and terrorism.

CONCLUSION

The essential characteristics of the "consumption safety" category have been determined as: the structure, needs, nature of their satisfaction and interests, rationality and value orientation, connection with production and its purpose in economic terms; motivational factors, behavioral patterns, social conditions, mass culture and culture of consumption in sociological terms; features of consumer behavior, their individual selection criteria, form and models of consumption, methods of evaluation of goods in psychological terms; – "greening consumption", "balance between man and nature", "survival of man as a species" in ecological terms; the concept of "philosophy of security of consumption", the society of consumption and consumerism, as its extreme form, which opposes the society of development in philosophical terms; the need to improve the institutional framework in political and legal terms.

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ПОЛІНАУКОВА СУТНІСТЬ КАТЕГОРІЇ «СПОЖИВАННЯ» ЧЕРЕЗ ПРИЗМУ ЇЇ БЕЗПЕКИ

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Трансформація економіки та суспільства України, особливо в умовах європейської інтеграції, робить безпеку споживання товарів і послуг однією з передумов економічної безпеки держави. Це пов'язано з посиленням внутрішньосистемних загроз від соціально-економічної та політичної кризи, низькою купівельною спроможністю населення, насиченістю внутрішнього ринку небезпечними товарами та послугами та їх негативним впливом на навколишнє середовище. У цьому випадку теоретико-методологічна основа безпеки споживання є недосконалою. Необхідно дослідити зміну сутності поняття «споживання» у часі та просторі та його зв'язок із категорією безпеки. Метою дослідження є визначення особливостей забезпечення безпеки споживання як об'єкта вивчення різних наук. Методологія: теоретико-методологічною основою дослідження є фундаментальні основи досліджень безпекознавства, економіки, глобалістики, філософії, екології, політології, споживання. Для забезпечення концептуальної цілісності дослідження були використані такі методи: теоретичне узагальнення, порівняння, діалектика, аналіз та систематизація;

інституційний аналіз; мозковий штурм, кабінетні дослідження. Наукове значення роботи полягає в тому, що сутнісні характеристики категорії «безпека споживання» визначаються як: структура, потреби та інтереси, характер їх задоволення, раціональність та ціннісна орієнтація, зв'язок із виробництвом та його призначенням в економічному плані; мотиваційні фактори, поведінкові моделі, соціальні умови, масова культура та культура споживання в соціологічному відношенні; особливості поведінки споживачів, їх індивідуальні критерії відбору, форма та моделі споживання, методи оцінки товарів у психологічному плані; «екологічне споживання», «баланс між людиною та природою», «виживання людини як виду» в екологічному відношенні; концепції «філософії безпеки споживання», суспільства споживання та споживання як її крайньої форми, яка протистоїть суспільству розвитку у філософському плані; необхідність вдосконалення інституціональної бази в політичному та правовому аспектах. Цінність дослідження полягає в актуалізації необхідності подолання загроз безпеці споживання як для людей, так і для держав в умовах сталого розвитку.

Ключові слова: споживання товарів (послуг), безпека споживання, суспільство споживання, зелене споживання.

ПОЛИНАУЧНАЯ СУЩНОСТЬ КАТЕГОРИИ «ПОТРЕБЛЕНИЕ» ЧЕРЕЗ ПРИЗМУ ЕЕ БЕЗОПАСНОСТИ

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Трансформация экономики и общества Украины, особенно в условиях европейской интеграции, делает безопасность потребления товаров и услуг одной из предпосылок экономической безопасности государства. Это связано с усилением внутрисистемных угроз от социально-экономического и политического кризиса, низкой покупательной способностью населения, насыщенностью внутреннего рынка опасными товарами и услугами и их негативным влиянием на окружающую среду. В этом случае теоретико-методологическая основа безопасности потребления несовершенна. Необходимо исследовать изменение сущности понятия «потребление» во времени и пространстве и его связь с категорией безопасности. Целью исследования является определение особенностей обеспечения безопасности потребления в качестве объекта изучения различных наук. Методология: теоретико-методологической основой исследования являются фундаментальные основы исследования науки о безопасности, экономики, глобалистики, философии, экологии, политологии, потребления. Для обеспечения концептуальной целостности исследования были использованы следующие методы: теоретическое обобщение, сравнение, диалектика, анализ и систематизация; институциональный анализ; мозговой штурм, кабинетные исследования. Научное значение работы состоит в том, что сущностные характеристики категории «безопасность потребления» определяются как: структура, потребности и интересы, характер их удовлетворения, рациональность и ценностная ориентация, связь с производством и его назначением в экономическом плане; мотивационные факторы, поведенческие модели, социальные условия, массовая культура и культура потребления в социологическом отношении; особенности поведения потребителей, их индивидуальные критерии отбора, форма и модели потребления, методы оценки товаров в психологическом плане; «экологическое потребление», «баланс между человеком и природой», «выживание человека как вида» в экологическом отношении; концепции «философии безопасности потребления», общества потребления и потребления как ее крайней формы, противостоящей обществу развития в философском плане; необходимость совершенствования институциональной базы в политическом и правовом аспектах. Ценность

исследования заключается в актуализации необходимости преодоления угроз безопасности потребления как для людей, так и для государств в условиях устойчивого развития.

Ключевые слова: потребление товаров (услуг), безопасность потребления, общество потребления, зеленое потребление.

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CONTRIBUTING FACTORS: IMPLEMENTATION OF POOR POPULATION DATA COLLECTION

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Abstract. The **purpose** of this study was to examine the implementation of data collection on the poor carried out by TKP2KDes (Village Poverty Reduction Coordination Team) and to identify the factors that contributed to the collection of TKP2KDes poor population in Kebumen District. Identification related to factors that contribute to the research of poor population data collection is based on the framework of public administration. **Methodology:** descriptive qualitative method is used in analyzing research phenomena. Kebumen District Regulation No. 31 of 2014 concerning Criteria and Procedures for Data collection on the Poor is used as a reference in examining the stages of the implementation of data collection on the TKP2KDes poor population in Kebumen District. The TKP2KDes poverty data in this study contributed to providing a picture of poverty conditions in Kebumen District. The Miles, Huberman, and Saldana models used in data analysis are performed by condensing data, presenting data, and drawing conclusions. The research **findings** show that the contributing factors related to leadership, budget, program implementation, commitment, and human resources have not been running optimally. TKP2KDes poverty data has not been used as poverty data in developing poverty alleviation programs in the regions and monitoring and evaluation have not been carried out continuously in Kebumen District.

Keywords: contributing factors, poor population data collection, poverty data.

JEL Classification: D73, I28.

INTRODUCTION

The opening of the 1945 Constitution of the Republic of Indonesia mandates that one of the goals of the Indonesian government is to realize social justice for all Indonesian people. This shows that the factor of social justice is the goal of the Indonesian state in the implementation of development in all fields of life including the economic sector, namely resolving the nation's

problems related to poverty, unemployment and inequality. The problem of poverty reduction is still difficult to deal with because most poverty alleviation programs are partial, which are resolved downstream only.

Data validity in poverty alleviation is an important part of determining the number of poor people. The difference in poverty data in each of the poverty reduction program targets so far has caused the program to not be on target. Accurate data is a need for public services that must be carried out by the government in the development process. Poverty data can be used as a reference for policymakers to focus attention on poor living conditions. Good poverty data can be used to evaluate government policies on poverty, compare poverty between time and between regions, and determine the target of the poor precisely to improve community conditions.

Data can be used for important interventions, both in technical matters relating to individual welfare and social determinants (Craig Konnoth, 2018). In this case, Kebumen District is one of the districts in Central Java that has implemented data collection on poor people with local wisdom. The data collection of the poor population in Kebumen District is carried out with the provisions in Kebumen District Regulation No. 31 of 2014 concerning Criteria and Procedures for Data collection on the Poor and District Regulation Number 26 of 2015 concerning Amendments to the Regulations of Kebumen District No. 31 of 2014 concerning Criteria and Procedures for Data collection on the Poor.

Mandate in Kebumen District Regulation No. 31 of 2014 needs to establish TKP2KDes (Village Poverty Reduction Coordination Team) to synergize poverty reduction programs. TKP2KDes is tasked with coordinating the planning, organizing, implementing and controlling poverty alleviation programs at the village level. The village government is responsible for the implementation of data collection on the poor at the village level based on District Regulation Number 31 of 2014. The results of the data collection are determined by the Decree of the Village Head and become the basis for compiling data on the regional poor population.

In 2016 the number of poor people was 214,317 (18.03%), in 2017 there were 196,078 (16.50%) and in 2018 there were 116,010 (9.75%). Based on the data, there was a significant decrease in the number of poor people from 2017 to 2018 around 80,068 (6.75%). (TKP2KDes Kebumen District Poverty Data, 2019). The fact that occurred Kebumen District became the Poorest regency in Central Java. Mapping the number of poor people in Kebumen District is shown in the following table:

Table 1

Poverty Data TKP2KDes Kebumen District

2016		2017		2018	
Poor population	%	Poor population	%	Poor population	%
214.317	18.03	196.078	16.50	116.010	9.75
Total population: 1.188.622		Total population: 1.188.622		Total population: 1.190.280	

Source: Poverty Data TKP2KDes Kebumen District, 2019

Open data should be information in activities carried out by the government and the community (Erna Ruijer; Stephan Grimmelihijsen; Albert Meijer, 2017). Examples of the drastic reduction in poverty experienced by Chile because of norms that have shifted in society. Communities have hopes to escape poverty by increasing satisfaction with what is achieved (Emma

Arifah, U., Suwitri, S., Larasati, E. and Yuwanto (2020), "Contributing factors: implementation of poor population data collection", *Management and entrepreneurship: trends of development*, Vol. 2, Issue 12, pp. 59-73, available at: <https://doi.org/10.26661/2522-1566/2020-2/12-05>

Samman and Maria Emma Santos, 2013). But data in developing countries is quite alarming because of data inaccuracies and poor data quality (Bulmer and Warwick, 1993).

The poverty data in Kebumen District which experienced a drastic decline becomes doubtful data. Implementation of data collection that has been running, in fact has not been effective in its implementation, so that in the data collection of poor people there are still various problems that occur. Many things have emerged in the implementation of the data collection on the poor: a) TKP2KD (District Poverty Reduction Coordination Team) has not yet emerged an awareness of the importance of poverty alleviation that must be implemented in an integrated and comprehensive manner; b) facilitative leadership has not been able to develop at the local level, but is often encouraged by NGOs; 3) the data collection and information system working group is already running but the principles of collaborative governance have not gone well (Ika Fitriani, 2017). Factors that contribute to the implementation of data collection on the poor are taken into consideration in the process of data collection on the poor in Kebumen District. The focus of this research is on factors that contribute to the implementation of data collection on the poor population in Kebumen District. These factors will contribute to the achievement of the implementation of data collection on the poor by the mandate of District Regulation Number 31 of 2014.

LITERATURE REVIEW

This research requires a literature review to be the basis for developing a theoretical framework that will be used in research. The theoretical framework used in this study is as follows: First, analyzing the implementation of data collection on poor people who refer to the results of Christopher Njuguna and Patrick McSharry's research on the use of census data and resource surveys to be an effective way to obtain a socioeconomic picture of the community (Christopher Njuguna and Patrick McSharry, 2017), Craig Konnoth about the importance of poverty data effectively and efficiently (Craig Konnoth, 2018), Irmayani and Suryadi on poverty reduction that is not based on data cohesion (Irmayani and Suryadi, 2018), David R. Mason and Victoria Bead on poverty alleviation are done by shifting a centralized approach to decentralization, community participation, utilizing local knowledge and collaboration between civil society, the state and the private sector (David R. Mason and Victoria Bead, 2008), Djonet Santoso about the absence of data explaining the poor population by name by address between survey periods as a poverty database (Djonet Santoso, 2017). Second, a study of contributing factors refers to the Gagnon, Franz, Garst and Bumpus frameworks with the following four factors: Organizational Characteristics, Community Characteristics, Program Characteristics; and Characteristics Facilitator (Gagnon, Franz, Garst and Bumpus, 2015).

The implementation of data collection on the poor refers to Kebumen District Regulation No. 31 of 2014 concerning Criteria and Procedures for Data Collection of the Poor and its amendments, namely Kebumen District Regulation No. 26/2015 concerning Amendments to the Kebumen District Regulation No. 31 of 2014 concerning Criteria and Procedures for Data collection on the Poor. The regulation explains that the Criteria for poor population in Kebumen District Regulation Number 31 of 2014, are determined by indicators of the poor based on the indicators of institutions that conduct government affairs in the field of statistics in this case BPS (Statistics Indonesia) which are adjusted to regional conditions and integrated based on wisdom coordinated by TKP2KD (District Poverty Reduction Coordination Team).

The data collection of the poor according to Kebumen District Regulation Number 31 of 2014 is carried out with the following objectives: a) compiling poverty data which is a single data in the village; b) get aggregate poor population data at the district, sub-district and village levels; c) obtain data on the poor population by regional and cluster conditions; d) encourage responsiveness of village and district governments in poverty reduction; e) increase participation and coordination of poverty reduction programs; f) encourage information transparency in villages related to poverty data and programs; and g) become the basis in the preparation of programs and activities to

accelerate poverty reduction at the district and village levels. Based on the regulation, TKP2KDes poverty data should be a single data in the village and be used as basic data in developing poverty alleviation programs in the regions and villages.

The implementation of an activity successfully or not will be influenced by the supporting and inhibiting factors in each stage of the process. Imam Santoso said (2018: 80) there were several determining factors in the implementation of activities. Supporting factors consist of: a) willingness and awareness; b) knows; c) social values and norms; d) social capital; e) institutional support; f) enthusiasm; g) availability of information and technology; h) support of village government officials; i) support of local community leaders. while the inhibiting factors consist of: a) limited resources; b) limited access to information; c) limited facilities; d) limited services; e) limited knowledge; f) lack of support; g) the program's determination is not in favor of the citizens; h) low technology utilization.

According to Gagnon, Franz, Garst, and Bumpus (2015, p. 70) several factors contribute to the implementation of activities consisting of: a) Organizational Characteristics (leadership, decision making and funding, organizational structure); b) Community Characteristics (political atmosphere); c) Program Characteristics (culture, program context, resources); and d) Facilitator Characteristics (training and experience). Conceptual factors that contribute to the implementation of activities according to Gagnon, Franz, Garst, and Bumpus in the implementation of activities can be seen in the following figure:

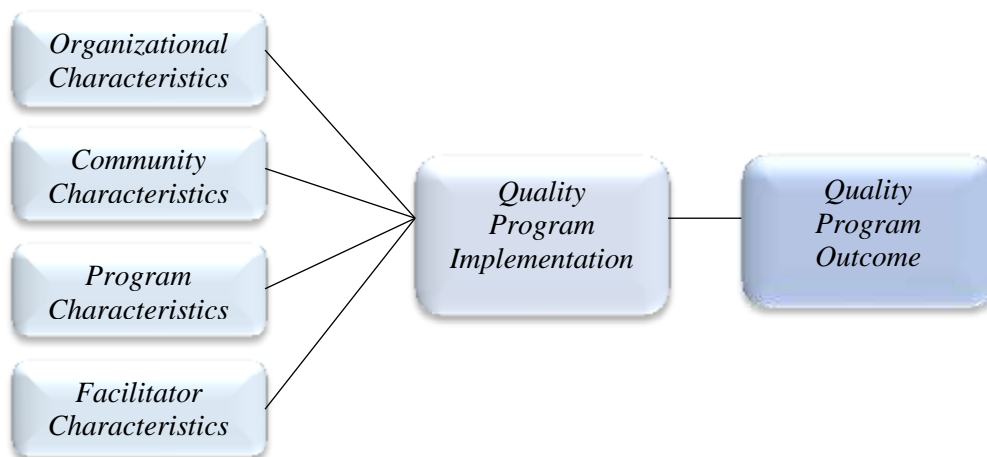


Figure 1. Conceptual Contributing Factors

Source: after Gagnon, Franz, Garst dan Bumpus (2015, p. 71)

Data collection on the poor in its implementation can be carried out and succeeded well when the contributing factors can support its implementation. Researchers used 4 factors to explore the implementation of data collection on the poor, among them: organizational characteristics, community characteristics, program characteristics and facilitator characteristics (Gagnon, Franz, Garst and Bumpus, 2015).

PAPER OBJECTIVE

The study aims to examine the implementation of data collection on the poor carried out by Village Poverty Reduction Coordination Team (TKP2KDes) and to identify the factors that contributed to the collection of TKP2KDes poor population in Kebumen District.

METHODOLOGY

This research uses descriptive qualitative approach which is a research by collecting data and interpreting it in the analysis of research results in the field. Motivating researchers to think of cases is related to the idea of generalizability, which term is not very meaningful for most qualitative researchers (Glesne and Peshkin, 1992). Qualitative research is not to disguise information, but to elaborate on specifics (Pinnegar and Daynes, 2007).

The researcher establishes the rationale for a purposive sampling strategy for gathering information (Creswell, 2014). Researchers take informants by studying the phenomena that are done, conditions that occur and the resulting consequences (Corbin and Strauss, 1990, p. 8). The informants selected based on purposive sampling will be chosen based on their ability to provide information and mastery of the information. With the limitations of the researchers, a sample of informants from the district elements was chosen, consisting of the Head of TKP2KD (Deputy District), Bappeda (Development Planning Agency at Sub-National Level), Dispermades (Department of Village Community Empowerment), Disdukcapil (Department of population and civil society), Dinas Sosial (Departement of Social Affairs), BPS (Statistics Indonesia), NGOs. While at the village level consists of the Village Head, Head of TKP2KDes, SID (village information system) Operators and Communities in 5 regional clusters (urban cluster, coastal cluster, mountainous coastal cluster, mountain cluster, and bonorawan/swamp area cluster).

Data collection can use three ways to obtain data in research by the needs of researchers, namely: a) Transcribed Interview; b) Chaining; c) Capturing the phenomenon (Michael Firmin at Given, 2008). Research interviews are conducted responsively that is not rigid so that it allows researchers to change the questions asked and the situation to be studied (Rubin and Rubin, 2012). The process of collecting data by presenting the interview steps as follows: a) determine the research questions that will be answered in the interview; b) identify who will be interviewed based on purposive sampling by selecting informants who can answer well (Miles and Huberman, 1994); c) determine the type of interview that is practical and produces useful information; d) use adequate recording procedures; e) design and use interview guides (Kvale and Brinkmann, 2009).

Observation consists of direct references to participants, patterns of interaction, routines, rituals, temporary elements, interpretation and social organization (Denzin and Lincoln, 2009). Observations were made to obtain information and materials from various sources of research information in the form of records, regulations, and the results of data collection, etc. Documentation, secondary data sources in the form of documents that are directly related to the data collection of the poor populations such as poverty data TKP2KDes, RPJMDesa (Village Medium-Term Development Plan), poor household data and other data that support research. The Miles, Huberman, and Saldana models used in data analysis are conducted by condensing data, presenting data and drawing conclusions (Miles, Huberman and Saldana, 2014). The technique used to test the validity of the data is used with credibility, transferability and confirmability (Moleong, 2007).

RESULTS AND DISCUSSION

The data collection of the poor referred to in Kebumen District Regulation Number 31 of 2014 is the data collection of the poor based on the criteria of the poor population carried out by census and participatory methods. The data collection of the poor is a series of data collection conducted by the regional government to the village government. The data collection process is divided into three stages, namely: 1) Stages of preparation related to the socialization of regulations and data collection guidelines to villages and sub-districts and the provision of training on procedures for collecting data on the poor conducted by local governments; 2) Implementation stages carried out the process of socialization and the formation of teams to the data processing of the poor population; 3) At the reporting stage, each village government reports the results of the data collection of the poor population to the District, which is then determined to be the regional

poverty data with a District Decree. Based on the results of the data collection of the poor population, this will be used as data on the regional poor population to formulate poverty reduction policies and programs in Kebumen District.

The data collection of the poor population in Kebumen District is carried out through the following stages:

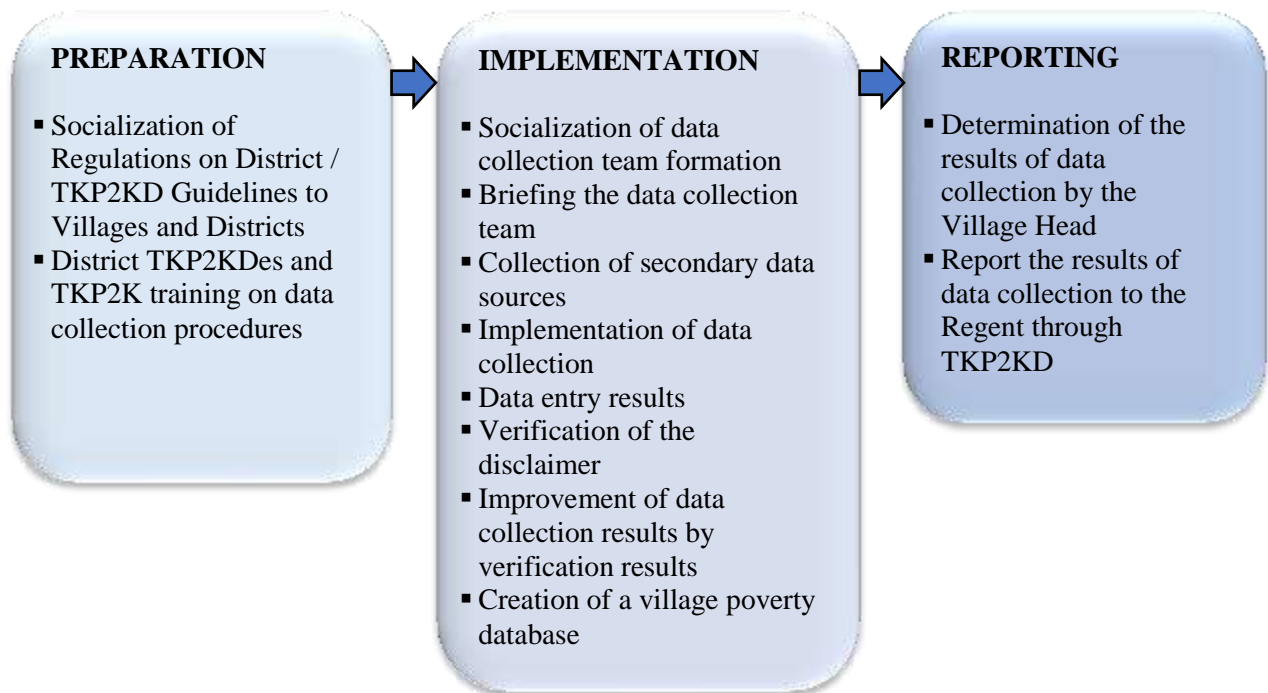


Figure 2. Stages of Poor Population Data Collection

Source: after Kebumen District's Poor Population Data Collection Process

The data collected above is continued with factors that contribute to the implementation of data collection on the poor population. Research findings focused on contributing factors including: a) organizational characteristics; b) community characteristics; c) program characteristics; and d) the characteristics of the facilitator (Gagnon, Franz, Garst, and Bumpus, 2015).

1. Organizational Characteristics

Organizations are closely related to leadership, decision making, funding, and organizational structure. Related to leadership, Bappeda Kebumen District as the TKP2KD secretariat from 2014 to 2017 has leaders who do not carry out their duties properly so that it is difficult to carry out activities, not focused and not committed in implementing activities. Leadership is the process of influencing the activities of others in achieving goals (Hersey and Blanchard at Robbins, 2001). Efforts to influence not by force but motivate in achieving goals (Gibson et.al, 1999). Transformative leadership not only influences others but can engage in the same activities (Certo and Certo, 2016; Robbins and Coulter, 2018). Leaders can influence morale and job satisfaction, work loyalty, security, quality of work-life at the level of organizational achievement (Handoko, 2003). In addition to leadership, a critical factor that can affect the performance of subordinates is the organizational culture that is used as the foundation of management systems and activities in the organization (Harber et al., 1997). Besides, the application for collecting data on the poor was not

updated, and there were no regular coordination meetings to discuss data collection and poverty reduction.

The use of the annual budget from the APBD (District Revenue and Expenditures Budget) has been used for socialization activities, Sub-District TKP2K (Sub-District Poverty Reduction Coordination Team), education and training, maintenance and monitoring and evaluation. While the budget for poverty alleviation programs is found in the regional apparatus organization. At the village level, it is budgeted to collect data on poor citizens, but the budget goes to the village apparatus and the data collection team does not get the budget, and no regulations are governing the salary for the data collection team in the village. Arguments should be made in the forum followed by community fulfillment activities (Gibson and Woolcock, 2008).

2. Community Characteristics

The political atmosphere influences the policy-making of the data collection of the poor population, this happens when it coincides with the simultaneous village head election and becomes a tool (success team). The phenomenon in the community is that there are still villagers who want to be poor because they are assumed to get assistance from the government. The community should place the community as the main actor in development, while the government as the facilitator encourages participation, independence and innovation in the community. This process is carried out to encourage communities to have sustainable independent capacity (David Korten, 1980).

The researcher explores in the field that when approaching the political year and related to the final decision-making process, poverty data becomes a tool to obtain assistance. Political and policy changes from the center greatly affect the region, which causes changes in policymaking. Therefore, a joint commitment is needed by all regional authorities in using TKP2KDes poverty data. Mapping to build commitment in the implementation of data collection on the poor is described as follows:

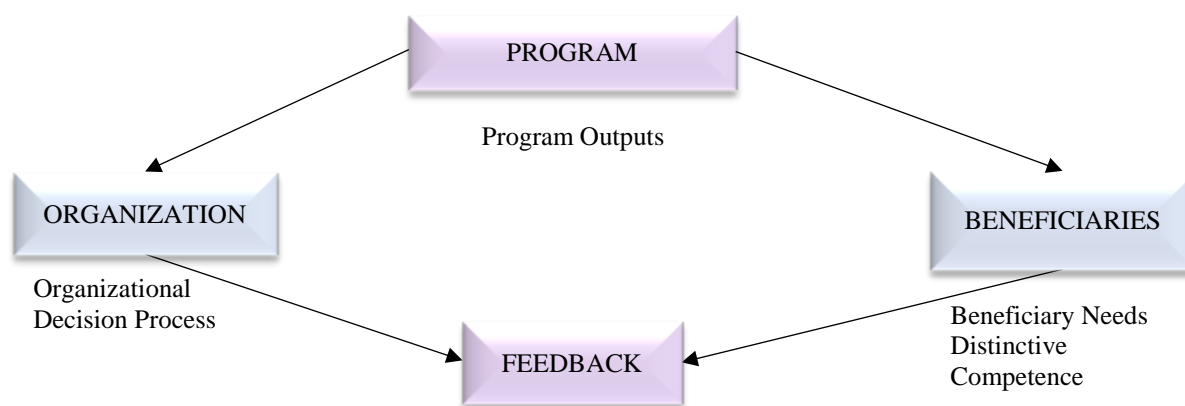


Figure 3. Building Commitment to Data on Poor Population

Source: built by the authors

3. Program Characteristics

Institutionally several efforts have been made by establishing several institutions that deal with poverty reduction, namely: 1) TKP2KD (District Poverty Reduction Coordination Team); 2) TKP2KDesa (Village Poverty Eradication Coordination Team). Village TKP2K is a cross-sectoral and cross-stakeholder coordination forum for accelerating poverty reduction in villages; 3)

Establishment of the District Poverty Reduction Acceleration Forum; 4) UPT-P2K (Integrated Service Unit for the Acceleration of Poverty Reduction) Kebumen District.

Data submitted by the Kebumen Regency Bappeda in 2019 shows that there are several strategies of the Kebumen Regency government to share the APBN (State Budget Revenue and Expenditure Budget), APBD (District Revenue and Expenditure Budget) and APBDesa (Village Revenue and Expenditure Budget) for poverty reduction in several programs as following:

Table 2

Poverty Reduction Program

Program	Activity	Source of Budget
Health Services Improvement Partnership Program	Jamkesda (regional health insurance) and Jampersal (childbirth assurance)	sharing APB Desa (Buy One Get One)
	Providing additional food and vitamins for toddlers and pregnant women	APBD
	Provision of operational waiting home births	APBD
	Free ambulance for the poor	APBD
Education Program	Village transportation subsidies for students and poor people	APBD
	Underprivileged scholarship assistance for elementary schools and junior high schools	sharing APB Desa
Micro, Small and Medium Enterprises Program	Free certificate for Micro, Small and Medium Enterprises	sharing APB Desa
P2MKM	Social assistance in the construction of housing for the poor	APBD/ APBN
RLTH Program	Renovation of the house is not livable	sharing APB Desa
Tree seed social assistance	Help tree seedlings for poor families	sharing APB Desa

Source: after Kebumen District Bappeda Report, 2019

Poverty Data is needed to prepare RPJMD (District Medium-Term Development Plan) 2021-2025, but in 2019 there is no recent poverty data. The central government issued a regulation that must use integrated social welfare data implemented by the Social Service, and if it does not use the data it will not be used. But Kebumen district in 2020 TKP2KDes poverty data is still used for the Poverty Reduction Program funded by the District APBD. Affirmative policies can be demonstrated by the level of welfare of poor households (Parsons, 2015).

The phenomenon that occurred from 2014 to 2018 regional apparatus has not used TKP2KDes poverty data. The Regional Apparatus in compiling poverty reduction programs, uses data from each that is not linear and integrated. So far the TKP2KDes poverty data has only been used by villages for village poverty alleviation programs. Requirements for policy objectives are achieved if a) the policy objectives are clear and consistent; b) policy has causality theory; c) structured and coherent implementation; d) executors and leaders are committed; and d) supporting socioeconomic and political conditions (Sabatier and Mazmanian, 1979; Sabatier and Mazmanian, 1983). Community trust in the government as an indication of community satisfaction and economic perceptions affects community satisfaction (Chanley, Rudolph and Rahn, 2000).

4. Facilitator Characteristics

Training and experience in implementing data collection on the poor is an important part that must be implemented. Management expects measurable evidence that human resources contribute positively to achieving goals (Gary Dessler, 2015). The phenomenon in the field, every year Bappeda has carried out routine assessments of the Data Collection Team, but there is often a change of people who are trained, causing difficulties in understanding and diminishing enthusiasm and capacity. Besides it is necessary to upgrade human resources at the sub-district and village levels, as well as limited human resources at the village and district levels who understand the data collection of the poor population. Although every year there is training and evaluation, human resource competency is low and salaries are minimal so that few people are interested in becoming a data collection team because it depends on each village in budgeting.

The human resource competencies needed must have the knowledge, skills, and competencies as shown below:

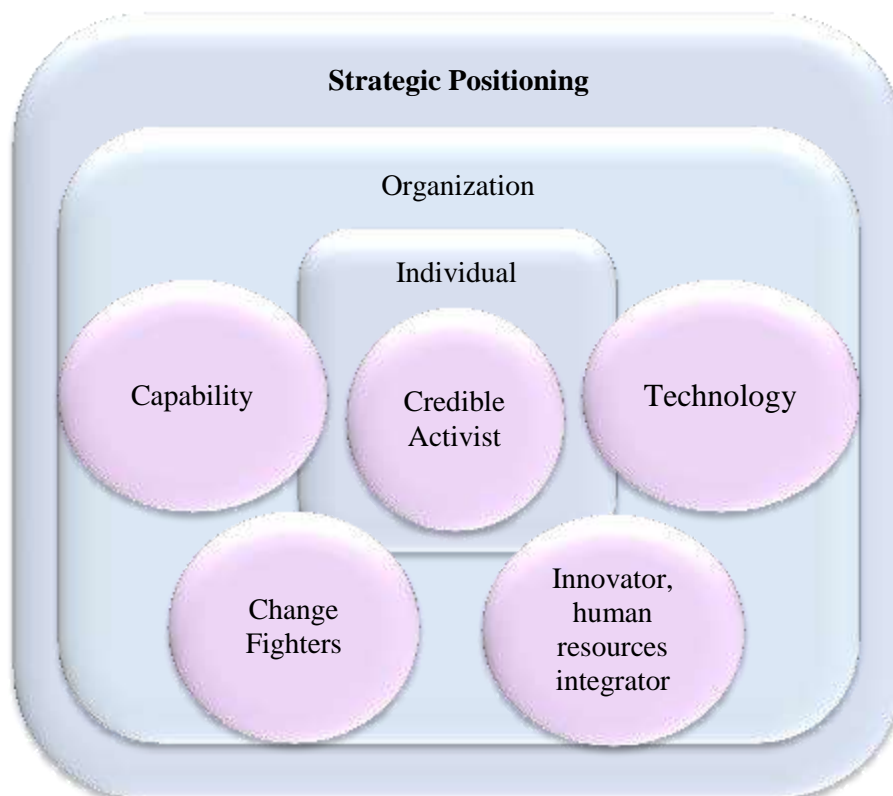


Figure 4. Human Resources Competency

Source: after Dave Ulrich in Gary Dessler, 2015

Competency of human resources according to Dave Ulrich is related to the following matters:

- strategic positioning is related to efforts to create a strategy;
- credible activists, displaying leadership that is respected, admired and listened to and is active (The RBL White Paper Series, 2011);
- capabilities, by creating a meaningful work environment and aligning strategies, culture, practices, and behavior;
- change fighters, by sparking and supporting change;
- human resources innovators and integrators, developing talent and optimizing people with work planning and analysis;
- technology, connecting people with technology (Dave Ulrich in Gary Dessler, 2015).

CONCLUSION

Contributing factors related to leadership, budget, program implementation, commitment and human resources are taken into consideration in the implementation of data collection on the poor population in Kebumen District. Monitoring and evaluation have not been carried out on an ongoing basis and TKP2KDes poverty data have not been used as poverty data in developing poverty reduction programs.

The program achievement strategies that need to be carried out are as follows: a) commitment from the leadership; b) commitment of the middle bureaucracy; c) communication; d) integrated data usage; e) care for policies at the middle level; f) regulations on single data; g) collaboration of government and NGOs; h) human resource capacity; i) budget; j) monitoring and evaluation.

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ФАКТОРИ РЕАЛІЗАЦІЇ ЗБОРУ ДАНИХ ПРО НЕЗАМОЖНЕ НАСЕЛЕННЯ

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Мета даного дослідження – вивчити реалізацію збору даних про незаможне населення, проведену ТКР2KDes (Координаційна група зі скорочення бідності в сільській місцевості), і виявити фактори, які сприяли збору даних про незаможне населення в Кебуменському районі Індонезії. Ідентифікація, пов'язана з факторами, які сприяють дослідженню збору даних про незаможне населення, заснована на принципах державного управління. Методологія: при аналізі досліджуваних явищ використаний описовий якісний метод. Регламент Кебуменського району № 31 від 2014 року, що стосується критеріїв і процедур збору даних про бідних, використовується в якості довідкового матеріалу при розгляді етапів здійснення збору даних про незаможне населення ТКР2К в Кебуменському районі. Дані про бідність ТКР2KDes в цьому дослідженні дозволили отримати уявлення про умови бідності в Кебуменському районі. Моделі Майлза, Хубермана і Салдана, використовувані при аналізі даних, виконуються шляхом стиснення даних, подання даних і складання висновків.

Ключові слова: фактори, збір даних про незаможне населення, дані про бідність.

ФАКТОРЫ РЕАЛИЗАЦИИ СБОРА ДАННЫХ О НЕИМУЩЕМ НАСЕЛЕНИИ

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Цель данного исследования – изучить реализацию сбора данных о неимущем населении, проведенную ТКР2KDes (Координационная группа по сокращению бедности в сельской местности), и выявить факторы, которые способствовали сбору данных о неимущем населении в Кебуменском районе Индонезии. Идентификация, связанная с факторами, которые способствуют исследованию сбора данных о неимущем населении, основана на принципах государственного управления. Методология: при анализе исследовательских явлений использован описательный качественный метод. Регламент Кебуменского района № 31 от 2014 года, касающийся критериев и процедур сбора данных о бедных, используется в качестве справочного материала при рассмотрении этапов осуществления сбора данных о бедном населении ТКР2К в Кебуменском районе. Данные о бедности ТКР2KDes в этом исследовании позволили получить представление об условиях бедности в Кебуменском районе. Модели Майлза, Хубермана и Салдана, используемые при анализе данных, выполняются путем сжатия данных, представления данных и составления выводов. Результаты исследования показывают, что факторы, связанные с лидерством, бюджетом, реализацией программы, приверженностью и человеческими ресурсами,

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роботають неоптимально. Данні про бідність, їх моніторинг та оцінка не використовувалися ТКР2КД в якості джерела даних при розробці програм по зниженню рівня бідності в Кебуменському районі Індонезії. Результати дослідження показують, що фактори, пов'язані з лідерством, бюджетом, реалізацією програми, прихильністю і людськими ресурсами, працюють неоптимально. Дані про бідність, їх моніторинг та оцінка не використовувалися ТКР2КД як джерело даних при розробці програм зі зниження рівня бідності в Кебуменському районі Індонезії.

Ключевые слова: факторы, сбор данных о неимущем населении, данные о бедности.

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PUBLIC DEBT OF UKRAINE: DYNAMICS, STRUCTURE,
MANAGEMENT METHODS

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Abstract. The paper studies the dynamics, structure, methods of Ukraine’s public debt management and identifies the constituent elements of the public debt management mechanism. The current trends of Ukraine's debt policy are analyzed and its macroeconomic consequences are determined. It is established that public debt management is one of the key factors in ensuring macroeconomic stability in the country. According to the results of the study, the nature of the debt problem depends on the country’s budget capacity, the state of its foreign exchange reserves, and, accordingly, on the stability of the national currency, interest rates, investment climate, the behavior of all segments of the financial market. It is established that the main problem of public debt management lies in ensuring the solvency of the state, the real sources of public debt repayment. It was found that the most statistically significant factor influencing the size of Ukraine’s external debt is GDP growth. It is justified that in order to reduce the amount of the country's external liabilities and increase GDP, it is necessary to resort to domestic borrowings as much as possible. It is proposed to use the foreign experience of developed countries in Western Europe and the United States, which resort to external borrowings only when there is a stable GDP growth. The study found that countries do not set the goal of reducing debt to zero, but recognize the need to reduce it to a certain level of sustainability, which depends on economic growth, interest rates, due to which countries occupy a certain place in domestic and foreign markets. It is noted that Ukraine's current credit ratings should be raised through fiscal policy and reforms. **The results** of the study highlight the priority areas for implementing the medium-term public debt management strategy for 2019 – 2022.

Keywords: public debt, management, risks, strategy, financial system, gross domestic product, macroeconomic stability.

JEL Classification: R58.

INTRODUCTION

For most countries of the world, the constantly accumulating public debt is considered a prerequisite for instability. However, the governments of these countries are reluctant to abandon borrowing as a source of funding, especially during periods of extremely high demand for

government spending (wars, natural disasters, pandemics, economic crises).

Due to the economic crisis and the consequences of the coronavirus epidemic, many countries will have to borrow a lot of money to rebuild their economies. Ukraine is no exception, although the country already has got significant debts. Lately, growing public debt (due to a number of objective and subjective reasons) has been a significant destabilizing problem for Ukraine. Thus, the definition of public debt problems is relevant for modern economics.

LITERATURE REVIEW

The scientific basis of the public debt problem is laid by prominent foreign and domestic scientists. The works of Bon Van Nguyen (2015), A. Afonso and D. Furcery (2010), J. Jalles (2013), R. J. Barro (1998) and other foreign economists are devoted to the study of optimal sources of public debt repayment. Many domestic scholars, such as, in particular, V. D. Bazilevich (2008), O.P. Makar (2012), Ye.V. Kraichak (2018), Yu.V. Kolobov (2014), O. L. Shelest (2017) and others, have made efforts to study the socio-economic prerequisites and consequences of the formation of public and private sector debt obligations, as well as to develop conceptual frameworks for public debt management so as to ensure the stability of the financial system and to expand the investment potential of Ukraine's economic sector.

PAPER OBJECTIVE

The purpose of the article is to study the dynamics, structure, mechanism of public debt management in Ukraine. To achieve this objective, the following tasks are to be solved:

- to reveal the content, to clarify the interpretation of the concept of "public debt", "public debt management", as well as to determine the constituent elements of public debt management mechanism;
- to analyze the current trends of Ukraine's debt policy, to determine its macroeconomic consequences;
- to reveal the content of the medium-term strategy of public debt management for 2019-2022.

METHODOLOGY

The following research methods are used in the work: abstract-logical; statistical; comparative; of logical generalization; of economic and system analysis; of grouping; of critical analysis and theoretical research generalization.

RESULTS AND DISCUSSION

In the modern economic literature, there are definitions of public debt, which differ significantly from each other, because they characterize public debt from different points of view: some by its content, others by its form, legal status and so on.

Public debt is an integral part of the country's financial system, which depends on the state of the whole system and at the same time has a significant impact on its functioning (Bazilevich, 2008).

According to the Budget Code of Ukraine, public debt means the total amount of the state liabilities on received and outstanding loans (borrowings) as of the reporting date arising from government borrowing (Budget Code of Ukraine, 2010).

The conducted researches in the field of debt policy development allow allocating integral components which should be considered as a part of complex system of a public external debt management:

- legislative support of the state debt policy;
- debt risk management;
- active management of public external debt;
- promoting the development of the national government securities market aimed at partial transition from external government borrowings to domestic ones.

The creation of a modern system of public external debt management in Ukraine is quite possible, but its implementation will be difficult without an effective legal framework that regulates the formation, development and management of public debt. That is why, at the first stage, it is necessary to solve the problems related to the legislative field in this area.

The lack of a comprehensive system of legislation to regulate the cost of servicing and repaying public debt is a significant obstacle in achieving proper debt policy. Ukraine has not yet adopted a law on public debt, which slows down the process of creating an effective system of external debt management and leads to contradictions between the provisions of certain repayment regulations and public debt servicing (Makar, 2012).

The problem of public debt management lies in ensuring the solvency of the state, real sources of public debt repayment. When managing public debt, especially external, it is necessary to look for options that would minimize losses for the state and the population.

Debt itself is not harmful and dangerous for the state and society. At the same time, it can increase a country's vulnerability to shocks (such as currency). Therefore, the world is paying more and more attention to assessing the sustainability of public debt. The amount of the debt in relation to GDP is important, because it reflects the ability of the state to service its debt in the future and further develop the economy.

The maximum amount of public debt is determined by Art. 18 of the Budget Code of Ukraine, which states that the amount of debt should not exceed 60% of the actual annual GDP of Ukraine (Budget Code of Ukraine, 2017). In case of exceeding the debt limit, the Cabinet of Ministers of Ukraine is obliged to take urgent measures to reduce the amount of public debt to the established amount and below. The dynamics of total public debt and GDP of Ukraine from 2009 to 2020 are shown in Table 1.

Table 1

Dynamics of total public debt and GDP of Ukraine from 2009 to 2020 (mln. UAH)

Years	Public debt (total)	Gross domestic product (GDP)	Public debt / GDP
on 31.12.2009	316 885	913 345	34,7%
on 31.12.2010	432 235	1 082 569	39,9%
on 31.12.2011	473 122	1 316 600	35,9%
on 31.12.2012	515 511	1 408 889	36,6%
on 31.12.2013	584 114	1 454 931	40,1%
on 31.12.2014	1 100 564	1 566 728	70,2%
on 31.12.2015	1 572 180	1 979 458	79,4%
on 31.12.2016	1 929 759	2 383 182	81,0%
on 31.12.2017	2 141 674	2 982 920	71,8%
on 31.12.2018	2 168 627	3 558 706	60,9%
on 31.12.2019	1 998 275	3 974 564	50,3%
on 31.03.2020	2 255 553	-	-

Source: modified after (Council of the National Bank of Ukraine, 2018)

The amount of public debt is calculated in monetary form as the outstanding principal amount of direct debt obligations of the state. The state of public debt is determined on the last day of the reporting period and includes transactions within that day.

The strongest devaluation of the hryvnia and the economic downturn in 2014-2015 led to an increase in the ratio of public debt to Ukraine's GDP from 40% to 81% in 2016.

The main reasons for the public debt growth in 2014-2016 were the following (Shelest, 2017):

- the political crisis, the annexation of the Autonomous Republic of Crimea and the protracted military conflict in the east of the country;
- deep economic recession caused by regrouping of economic ties with international partners and destruction of infrastructure and industrial facilities in some part of the country;
- financing of the state budget deficit at the expense of state borrowings, the growth of which is caused largely by increased expenditures on defense and public debt service;
- strong state support for state-owned enterprises and banks, in particular NJSC Naftogaz of Ukraine.

The reasons for the public debt increase in 2017 – 2018 were as follows (Bondaruk, Bondarchuk and Melnichuk, 2018):

- the constant state budget deficit observed in recent years;
- the growth rate of government expenditures exceeding the growth rate of government revenues;
- funds raise from non-residents in order to maintain the stability of the national currency.

Despite the growth of public and state-guaranteed debt in absolute terms, its ratio to GDP decreased from 81% in 2016 to 72% in 2017. Such positive dynamics was not the result of the restrained fiscal policy of Ukraine's Establishment, but was caused by rapid growth of nominal GDP in dollar terms under macroeconomic stabilization (Council of the National Bank of Ukraine, 2018).

In 2018, public debt was reduced largely due to the fact that Ukraine had made several repayments of the principal debt to the IMF in the amount of 1,115 mln. under special borrowing privileges.

Since the plan of external borrowings was not fulfilled in the amount of approximately USD 2,5 billion in 2018, and the IMF did not provide loan tranches, the main emphasis in the policy of government borrowing was placed on domestic government loan bonds of Ukraine (hereinafter DGLB). Among the consequences of the non-fulfillment of the external borrowing plan is the private placement of bonds worth approximately USD 720 mln. in August with high yields (9,2%) and a significant increase in yields on domestic currency and hryvnia borrowings. This private placement was caused by the need to make debt service payments without reducing international reserves.

The period of September 2019 was a month of peak payments on public debt. In particular, in September 2019, the Ministry of Finance repaid public debt in the amount equivalent to UAH 35,1 billion, or USD 1,4 billion, including the redemption of 2015 DGLB in the amount of USD 661,3 mln.

However, after the economic growth had been resumed, a large number of structural reforms (banking, pension, tax, etc.) conducted, debt restructured and budget deficit reduced, the ratio of public debt to GDP fell to 50,3% in 2019.

In January – February 2020, the devaluation of hryvnia against foreign currencies in which the debt was denominated and the excess of government borrowing over the public debt repayment led to an increase in public debt by UAH 46,4 billion (2,6%). External debt increased by UAH 61,2 billion (6,6%), while domestic debt decreased by UAH 14,8 billion (1,8%).

A level of debt is considered safe (threshold) when it allows the state to fulfill its debt obligations independently (without the help of international financial organizations or other entities), in time and in full amount, without restructuring these obligations or announcing default, and to carry out government borrowing in the capital markets at reasonable interest rates.

As a result, we conclude that GDP growth is the most statistically significant factor influencing the amount of Ukraine's external debt. Although the average exchange rate of the hryvnia against the dollar affects the amount of the external public debt, the impact is not so strong, so the amount of external public debt does not depend much on this factor.

In general, if the amount of the country's external liabilities is reduced and GDP increased, it is possible to resort to domestic borrowing and not to depend so much on external creditors. But in case of attracting external borrowing, it can take place only in conditions of GDP stable increase (this example can be seen in developed countries of Western Europe and the United States).

It is significant to note that in such developed countries as Japan, Italy and the United States, the ratio of debt to economic growth is much higher than in Ukraine (Fig. 1). According to the studies by the American Institute of International Finance (IIF), in 2019 the global debt reached the highest level in the history of observations, increased by almost 10 trillion dollars and amounted to USD 255 trillion (Tiftik, Mahmood and Gibbs, 2020).

One of the main reasons for the global debt growth was the monetary policy of central banks. In 2019, regulators began to reduce simultaneously interest rates in order to stimulate business activity and economic growth. Subsequently, the actions of central banks should lead to cheaper loans, increased domestic demand and investment. But such actions run the risk of countries' over-lending.

At the same time, since the beginning of 2020, world debt has continued to grow steadily due to the coronavirus pandemic development.

The spread of the disease and the quarantine measures introduced by countries have provoked a massive reduction in trade and passenger traffic in the world. The Asian Development Bank analysts predict global losses from the pandemic. Against this background, the International Monetary Fund has already announced the beginning of the world economy recession, and IIF experts expect global debt to grow to 342% of GDP at the end of the year.

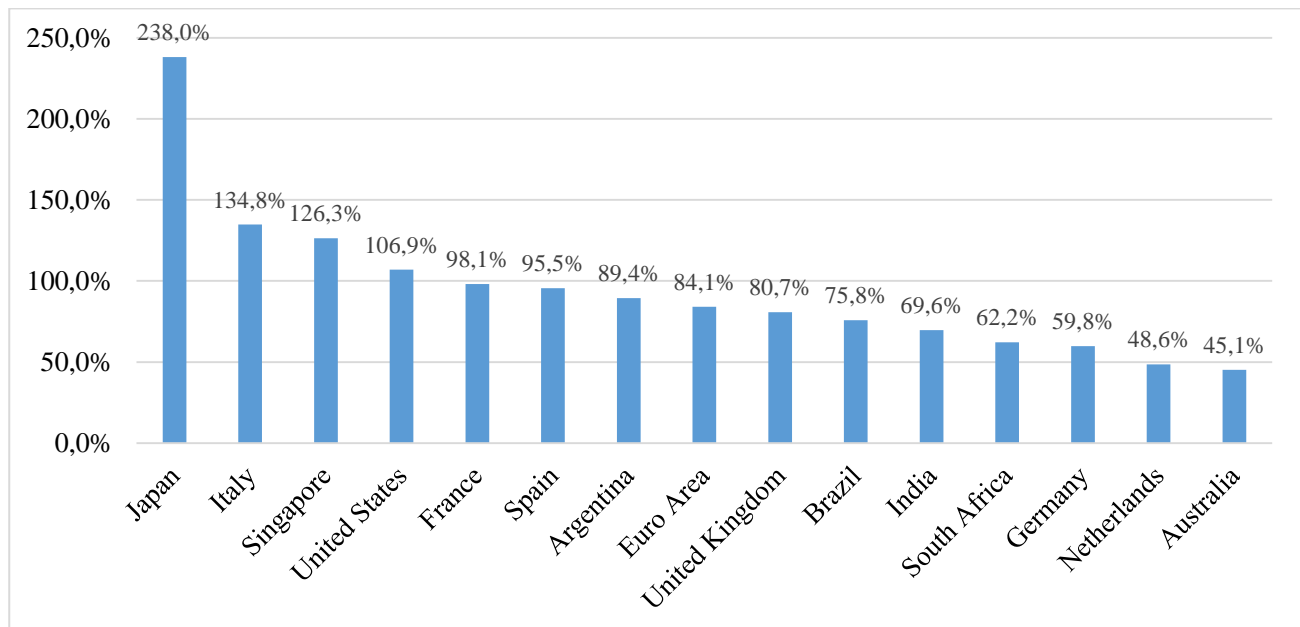


Figure 1. Ratio of public debt to GDP in December 2019

Source: modified after (Trading Economics, 2020)

Therefore, in addition to the amount of debt, it is necessary to take into account other factors when assessing each country's financial condition, including the possibility of refinancing. In case of Ukraine, it is not the amount of the debt that is of great concern but its structure and payment schedule (Tables 2-3).

Table 2

The structure of Ukraine's external debt in March 2020

Type of debt	Debt on loans received from	Billion dollars
External public debt	International financial organizations:	12,18
	European Community	3,65
	EBRD	0,49
	EIB	0,76
	IBRD	4,86
	IMF	2,41
	Clean Technology Foundation (IBRD)	0,02
	Governing bodies of foreign states:	1,62
	Canada	0,15
	Germany	0,27
	Poland	0,01
	RF	0,61
	France	0,02
	Japan	0,56
	International commercial banks, other foreign financial institutions	1,35
	Cargill (USA)	0,27
	Credit Agricole Corporate and Investment Bank (France)	0,18
	Deutsche bank AG London (Germany)	0,9
	Debt on securities issued on the foreign market	23,62
	Other debt to the IMF	1,69
Total	40,45	
External state-guaranteed debt	International financial organizations	7,88
	European Atomic Energy Community	0,11
	EBRD	0,35
	EIB	0,06
	IBRD	0,46
	IMF	6,91
	International commercial banks, other foreign financial institutions	1,37
	Central storage safety project trust (USA)	0,15
	Deutsche bank AG London (Germany)	0,03
	Unicredit Bank Austria AG (Austria)	0,01
	State Development Bank of China	0,02
	Export-import Bank of China	1,13
	Export-import Bank of Korea	0,03
	Other debt to the IMF	0,11
	Total	9,69
The total amount of external public and state-guaranteed debts is		49,81

Source: modified after (Ministry of Finance of Ukraine, 2020)

Table 3

Dynamics of external public and state-guaranteed debts of Ukraine in 2009 – 2020 (UAH mln.)

Dating to:	Total debt			External debt		Domestic debt	
		Specific weight, %	Gain, %		Gain, %		Gain, %
31.12.2009	316 884,6			211 751,7		105 132,9	
31.12.2010	432 235,4	115350,8	36,4	276 745,6	30,7	155 489,8	47,99
31.12.2011	473 121,6	40886,2	9,5	299 413,9	8,2	173 707,7	11,79
31.12.2012	515 510,6	42388,9	9,0	308 999,8	3,2	206 510,7	18,99
31.12.2013	584 114,1	68603,5	13,3	300 025,4	-2,9	284 088,7	37,69
31.12.2014	1 100 564,0	516449,9	88,4	611 697,1	103,9	488 866,9	72,19
31.12.2015	1 572 180,2	471616,2	42,9	1 042 719,6	70,5	529 460,6	8,39
31.12.2016	1 929 758,7	357578,5	22,7	1 240 028,7	18,9	689 730,0	30,39
31.12.2017	2 141 674,4	211915,7	11,0	1 374 995,5	10,9	766 678,9	11,29
31.12.2018	2 168 627,1	26952,7	1,3	1 397 217,8	1,6	771 409,3	0,69
31.12.2019	1 998 275,4	-170351,7	-7,9	1 159 221,6	-17,0	839 053,8	8,89
31.12.2020	2 255 552,8	257277,4	12,9	1 387 805,0	19,7	867 747,7	3,49

Source: modified after (Ministry of Finance of Ukraine, 2020)

In addition, a big question remains as for the possibility of stable service in terms of a deficit budget and partly expansionary fiscal policy, with limited access to foreign borrowing markets and the growing foreign trade deficit, as well as with view of the pandemic consequences.

Dated March 31, 2020, the public and state-guaranteed debt of Ukraine amounted to UAH 2,255,55 billion or USD 80.38 billion, including: public and state-guaranteed external debt – UAH 1 387,81 billion (61,53% of the total amount of public and state-guaranteed debt) or USD 49,46 billion; public and state-guaranteed domestic debt – UAH 867,75 billion (38,47%) or USD 30,92 billion (Figure 2).

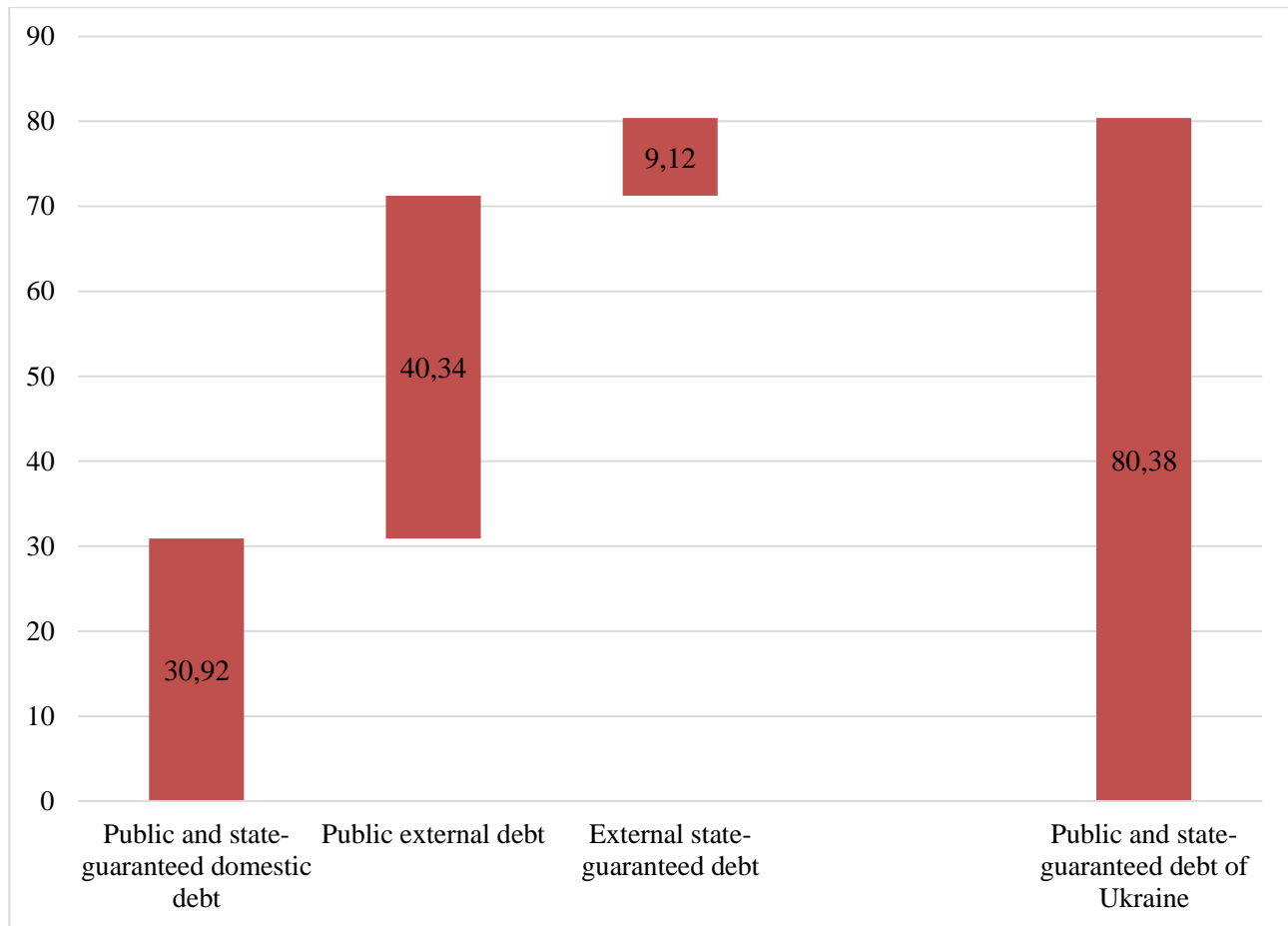


Figure 2. Public and state-guaranteed debt as of March 31, 2020 (billion USD)

Source: modified after (Ministry of Finance of Ukraine, 2020)

Ukraine's public debt amounted to UAH 1988,81 billion (88,17% of the total amount of public and state-guaranteed debt) or USD 70,87 billion. The public external debt amounted to UAH 1131,97 billion (50,19% of the total amount of public and state-guaranteed debt) or USD 40,34 billion. The public domestic debt amounted to UAH 856,83 billion (37,99% of the total amount of public and state-guaranteed debt) or USD 30,53 billion.

The state-guaranteed debt of Ukraine amounted to UAH 266,74 billion (11,83%) or USD 9,51 billion, including: state-guaranteed external debt – UAH 255,83 billion (11,34%) or USD 9,12 billion; state-guaranteed domestic debt – UAH 10,91 billion (0,48%) or USD 0,39 billion (Ministry of Finance of Ukraine, 2020).

Ukraine's total external debt is USD 49,46 billion. Debt on securities issued on the foreign market equals to 23,62 USD billion.

The largest debt of the state on loans received from international financial organizations is USD 12,18 billion. The debt to the IBRD is USD 4,86 billion, to the European Community USD 3,63 billion, to the IMF USD 2,41 billion.

Ukraine owes slightly less to the EBRD (USD 490 mln.), the EIB (USD 760 mln.), and the Clean Technology Fund (USD 20 mln.).

Ukraine also has debts to other countries in the amount of USD 1,62 billion: our country owes USD 150 mln. to Canada, USD 270 mln. to Germany, USD 10 mln. to Poland, USD 610 mln. to Russia, USD 20 mln. to France, USD 560 mln. to Japan.

Debts on loans received from foreign commercial banks and other foreign financial

institutions amount to USD 1,35 billion. The debt structure is as follows: debt to Cargill (USA) is USD 270 mln., Credit Agricole Corporate and Investment Bank (France) – USD 180 mln., Deutsche Bank AG London (Germany) – USD 90 mln.

Ukraine's external state-guaranteed debt is USD 9,12 billion. This amount includes many components.

Debt on loans received from international financial organizations is USD 7,88 billion. Ukraine owes USD 110 mln. to the European Atomic Energy Community, USD 350 mln. to the EBRD, USD 60 mln. to the EIB, USD 460 mln. to the IBRD, and USD 6,91 billion to the IMF.

Debts on loans received from foreign commercial banks and other foreign financial institutions in total amount to USD 1,37 billion. These are debts to the Central Storage Safety Project Trust (USA) – USD 50 mln., Deutsche Bank AG London (Germany) – USD 30 mln., UniCredit Bank Austria AG (Austria) – USD 10 mln., the State Development Bank of China – USD 20 mln., the Export-Import Bank of China – USD 1.13 billion, the Export-Import Bank of Korea – USD 30 mln., as well as other debt to the IMF – USD 110 mln.

More than 61% of Ukraine's public debt consists of external borrowing, amounting to USD 49,46 billion, which is twice the country's current level of foreign exchange reserves (official international reserves of Ukraine are USD 24,923 mln. as of 31.03.20).

The NBU's international reserves serve as the main source of foreign currency for servicing Ukraine's external debts. Also, reserves are used by the regulator to stabilize the foreign exchange market through interventions during periods of rising exchange rate volatility. Thus, the level of gold and foreign exchange reserves is an extremely important indicator for both residents and foreign investors.

In order to manage Ukraine's public debt, there has been developed the strategy based on the macroeconomic forecast of the Ministry of Economic Development and Trade of Ukraine, approved by the Cabinet of Ministers of Ukraine on May 15, 2019, as well as on the assumptions of the Ministry of Finance. This strategy defines four goals:

1. to increase the share of public debt in the national currency;
2. to extend the average maturity and ensure a uniform repayment schedule of public debt;
3. to attract long-term concessional financing;
4. to continue developing strong investor relations and improve furtherly public debt management policy.

According to the medium-term public debt management strategy for 2019–2022, a debt repayment schedule in 2019–2022 was drawn up with a limited number of refinancing peaks, which is the result of active public debt management in Ukraine after public and state-guaranteed external commercial debt restructuring in 2015.

The schedule of Ukraine's public debt repayment is shown in Figure 3. The average annual cost of repaying and servicing public debt on current and planned debt obligations in 2019-2022 is UAH 484,7 billion, and the standard deviation is UAH 4,6 billion.

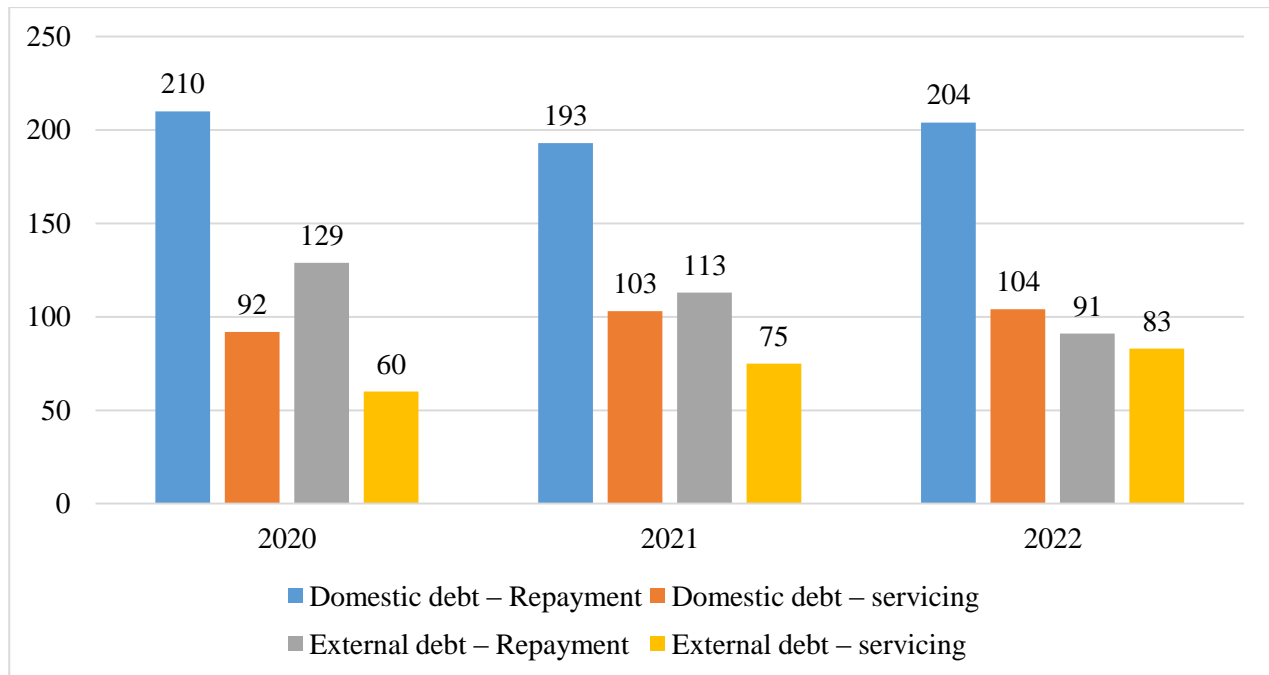


Figure 3. Schedule of Ukraine’s public debt repayment (current and planned debt obligations, UAH billion)

Source: modified after (Ministry of Finance of Ukraine, 2020)

The periods of peaks of public debt refinancing shown in Table 4 are studied.

Table 4

Expenditures on public debt in 2019 – 2022

UAH billion	2019	2020	2021	2022
Total:	483,4	491,5	482,9	481,0
Average	484,7			
Standard deviation	4,6			
Public debt repayment/GDP	12,0%	10,8%	9,5%	8,6%
Public debt repayment / state budget revenue	52,7%	47,9%	44,1%	40,2%

Source: modified after (Ministry of Finance of Ukraine, 2020)

The refinancing peaks will be smoothed out by attracting new debt with a longer maturity, which will limit repayment in these years, as well as by conducting active public debt management operations.

The forecast dynamics of public debt by 2022 is shown in Table 5.

Table 5

Forecast dynamics of public debt

	2020	2021	2022
Public domestic debt			
in terms of UAH billion	887,1	948,6	963,5
in terms of USD billion	30,2	31,1	32,0
% to GDP	19,5%	18,7%	17,5%
Public external debt			
in terms of UAH billion	1250,3	1329,9	1400,0
in terms of USD billion	42,5	43,6	45,6
% to GDP	27,5	26,2	24,9
Total public debt			
in terms of UAH billion	2137,4	2278,6	2863,5
in terms of USD billion	72,7	74,7	77,6
% to GDP	47,0%	44,9%	42,4%

Source: modified after (Tiftik, Mahmood, and Gibbs, 2020)

Based on the results of the debt stability analysis, the current forecasts and conclusions of the public debt of Ukraine are determined. Under the baseline scenario, Ukraine's public debt level is considered acceptable. The debt-to-GDP ratio is expected to gradually decline to 42,4% by the end of 2022, but the additional costs of tackling the pandemic are likely to hinder reaching this level. The downward trend indicates Ukraine's ability to meet its debt obligations in the long run.

Forecast indicators of Ukraine's public debt repayment and servicing are given in Table 6.

Table 6

Dynamics of expenditures on public debt repayment and servicing from 2020 to 2022

	2020	2021	2022
Expenditures on public domestic debt			
in terms of UAH billion	302,4	295,2	307,9
in terms of USD billion	10,7	10,0	10,3
% to GDP	27,6%	24,7%	23,5%
Expenditures on public external debt			
in terms of UAH billion	189,1	187,7	173,1
in terms of USD billion	6,7	6,4	5,7
% to GDP	4,2%	3,7%	3,1%
Total expenditures on debt repayment and servicing			
in terms of UAH billion	491,5	482,9	481,0
in terms of USD billion	17,4	16,4	16,0
% to GDP	10,8%	9,5%	8,6%
% to state budget revenue	44,9%	40,4%	36,7%

Taking into account the forecast data on public debt repayment and servicing costs for the period from 2020 to 2022, it should be noted that according to the provisions of the agreement on public debt restructuring signed between the Ministry of Finance and the Committee of Private External Creditors, there are provisions that will put some pressure on upward trends in the Ukrainian economy. In 2015, contingent liabilities, or Value Recovery Instruments (VRI), were issued, the application of which provides for:

- no payments to creditors if Ukraine's economy grows slower than 3% per year,
- with GDP growth from 3% to 4% per year, creditors will receive 15% only in excess of 3% of GDP,
- if Ukraine's economy grows faster than 4% per year, creditors will receive 40% of the value of each percent that exceeds such growth.

Between 2021 and 2025, this payment will not be higher than 1% of GDP. Ukraine will not make any VRI payments until its GDP is more than USD 125,4 billion.

The study uses the following methods of public debt management:

1) debt prolongation, i.e. a form of creditors' voluntary consent to defer payments on the debtor's obligations; as a rule, it happens when the issuance of new loans to service the previously issued is financially impractical;

2) cancellation of part of the debt, i.e. the government's refusal to repay the debt; debt cancellation may be due to the state's financial insolvency, its bankruptcy or political motives; most often such a mechanism is applied to the least developed countries, unable to repay their obligations even in the long run; under certain conditions, partial debt write-off is economically advantageous for creditors as well;

3) redemption of debt at a discount on the secondary market, i.e. reduction of public debt by redeeming own debts at a discount (deduction) on the secondary market; such method of debt restructuring can be afforded only by some debtor countries that have significant gold and foreign exchange reserves in their assets;

4) exchange of debt for national enterprises' shares or national currency, which is one of the most common market schemes for public debt restructuring; it provides for the creditors' right to sell debts at a discount in the national currency, which can be used to purchase national companies' shares; more often, the direct exchange (swap) of debts for the state-owned companies' shares is used;

5) a temporary moratorium on the payment of interest or part of the principal debt, i.e. deferral of payment of internal or external debt obligations announced by special state acts for a certain period or until the end of certain emergencies;

6) debt conversion, i.e. change in the initial terms of the government loan, in particular, change in loan terms, repayment time, method of loan repayment, and most often – change in the amount of loan interest (change in loan yield);

7) debt consolidation, i.e. change of loan terms in relation to its validity (duration) with possible change of loan interest, in particular, transformation of non-government short-term state loans into long-term state loans, merging of several state loans from previous years into one loan; consolidation and conversion can be performed simultaneously;

8) external debt restructuring carried out within the Paris Club of Official Creditors (restructuring of intergovernmental and government-guaranteed loans) and the London Club of Private Creditors (commercial debt restructuring); debt to the IMF and the World Bank is not subject to restructuring (Shelest, 2017).

Public debt management is one of the key factors in ensuring macroeconomic stability in the country. The nature of the debt problem influences the budget capacity of the country, the state of its foreign exchange reserves, and, accordingly, the stability of the national currency, the level of interest rates, the investment climate, the behavior of all the financial market segments.

CONCLUSION

Thus, the experience of other countries in general, and of Ukraine in particular, shows that debt increases during and after the economic / financial crisis: states increase borrowing to finance current expenditures amid incomes decline; debt to GDP increases due to the national currency devaluation, which is the result of the crisis.

Experts attribute the sharp increase in the debt burden of many countries in 2020 to government tackling the effects of the coronavirus.

The state's economic policy is noted to be an extremely important reason for the debt growth. Indeed, debt can increase when the state has to increase funding for infrastructure projects, reforms, particularly in medicine and education. Investments in infrastructure and human capital, with the right priorities, will stimulate economic development in the medium and long run, which, in turn, will reduce debt.

In Ukraine, funding for such investments has increased lately, but primarily through increased cost-effectiveness and redistribution from other fields. At the same time, another item of expenditure – defense and security – requires a significant increase, since now it gets only 5% of GDP. In circumstances of war and loss of territory, financial and economic crisis and the need to increase defense and security costs, Ukraine was supported by international partners that provided concessional financing, among them the IMF, World Bank, EU, USA, Japan, Canada and a number of other partners.

International experience shows that states do not set the goal of reducing debt to zero, but recognize the need to reduce it to a certain level of sustainability. This level depends on the growth rate of the economy, the interest rate that influences countries' place in domestic and foreign markets.

In the domestic market, thanks to an effective policy and open access of non-residents to the domestic market through the Clearstream international depository, the Ministry of Finance has already begun to reduce the DGLB profitability, but the ability to do so is limited. The DGLB rate is primarily affected by the NBU discount rate as an indicator of the value of money (note that the NBU reduced it to 8% on April 24). Therefore, we expect a decrease in DGLB profitability.

At the same time, for investors in international capital markets, such indicators are the country's credit ratings and cooperation with the IMF. Note that Ukraine's current credit ratings are low (at the level of B- / B / Caa by the scale of Fitch, Standard & Poors and Moody's rating agencies) and have to be raised.

The macroeconomic situation, fiscal policy and a number of reforms implemented in Ukraine in recent years are expected to have a positive impact on credit ratings in the coming year. The same factors will furtherly reduce inflation expectations and, accordingly, the NBU discount rate, thus allowing to reduce the amount of borrowing in the domestic market.

The paper's scientific significance. The paper analyzes modern tendencies of Ukraine's debt policy and determines its macroeconomic consequences. It claims that the most statistically significant factor influencing the size of Ukraine's external debt is GDP growth. It suggests using the foreign experience of developed countries in Western Europe and the United States, which resort to external borrowing only when there is a stable GDP growth.

Practical implications and originality. The practical research significance lies in using the advanced ways of Ukraine's public debt repayment with the further development of the country's public debt management strategy.

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ДЕРЖАВНИЙ БОРГ УКРАЇНИ: ДИНАМІКА, СТРУКТУРА, МЕТОДИ УПРАВЛІННЯ

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Досліджено динаміку, структуру, методи управління державним боргом України. Визначено складові елементи механізму управління державним боргом. Проаналізовано сучасні тенденції боргової політики України, визначено її макроекономічні наслідки. Встановлено, що управління державною заборгованістю є одним із ключових факторів забезпечення макроекономічної стабільності в державі. За результатами дослідження визначено, що від характеру врегулювання боргової проблеми залежать бюджетна дієздатність країни, стан її валютних резервів, а відповідно, і стабільність національної валюти, рівень відсоткових ставок, інвестиційний клімат, характер поведінки всіх сегментів фінансового ринку. Встановлено, що головна проблема управління державним боргом полягає в забезпеченні платоспроможності держави, реальних джерел погашення державного боргу. З'ясовано, що найбільш статистично значущим фактором, що впливає на розмір зовнішнього боргу України, є саме приріст ВВП. Обґрунтовано, для зменшення розміру зовнішніх зобов'язань країни та підвищення ВВП, потрібно вдаватися максимально до внутрішнього. Запропоновано використати закордонний досвід розвинутих країн Західної Європи та США, які вдаються до зовнішнього займу тільки тоді, коли є стабільний приріст ВВП. За результатами дослідження з'ясовано, що держави не визначають метою скорочення боргу до нуля, але визнають необхідність його скоротити до певного рівня стійкості, який залежить від темпів зростання економіки, процентної ставки, за якою країни займають на внутрішньому і зовнішньому ринках. Зазначено, що поточні кредитні рейтинги України треба підвищувати за рахунок фіскальної політики і реформ. За результатами дослідження акцентовано пріоритетні напрямки реалізації середньострокової стратегії управління державним боргом на 2019-2022 роки.

Ключові слова: державний борг, управління, ризики, стратегія, фінансова система, внутрішній валовий продукт, макроекономічна стабільність.

ГОСУДАРСТВЕННЫЙ ДОЛГ УКРАИНЫ: ДИНАМИКА, СТРУКТУРА, МЕТОДЫ УПРАВЛЕНИЯ

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Исследована динамика, структура, методы управления государственным долгом Украины. Определены составляющие элементы механизма управления государственным долгом. Проанализированы современные тенденции долговой политики Украины, определены ее макроекономические последствия. Установлено, что управление государственной задолженностью является одним из ключевых факторов обеспечения макроекономической стабильности в государстве. По результатам исследования установлено, что от характера урегулирования долговой проблемы зависят бюджетная дееспособность страны, состояние ее валютных резервов, а соответственно, и стабильность

национальной валюты, уровень процентных ставок, инвестиционный климат, характер поведения всех сегментов финансового рынка. Установлено, что главная проблема управления государственным долгом заключается в обеспечении платежеспособности государства, реальных источников погашения государственного долга. Установлено, что наиболее статистически значимым фактором, влияющим на размер внешнего долга Украины, является именно прирост ВВП. Обосновано, для уменьшения размера внешних обязательств страны и повышение ВВП, нужно прибегать максимально к внутреннему. Предложено использовать зарубежный опыт развитых стран Западной Европы и США, которые прибегают к внешнему займу только тогда, когда есть стабильный прирост ВВП. По результатам исследования установлено, что государства не определяют целью сокращения долга к нулю, но признают необходимость его сократить до определенного уровня устойчивости, который зависит от темпов роста экономики, процентной ставки, по которой страны занимают на внутреннем и внешнем рынках. Отмечено, что текущие кредитные рейтинги Украины надо повышать за счет фискальной политики и реформ. По результатам исследования акцентировано приоритетные направления реализации среднесрочной стратегии управления государственным долгом на 2019-2022 годы.

Ключевые слова: государственный долг, управление, риски, стратегия, финансовая система, внутренний валовой продукт, макроэкономическая стабильность.

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ANALYSIS OF COMPETITIVENESS AND COMPETITIVE ADVANTAGES IN TODAY'S MARKET CONDITIONS

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Abstract. The article is devoted to the issues of competitiveness analysis, by which it is possible to evaluate the competitive advantages and disadvantages and to build a strong competitive strategy. **The purpose** of the article is to research, analyze and identify the main directions of increasing the level of competitiveness of the enterprise under research. The main concepts of enterprise competitiveness are considered in the article and the analysis of the competitive environment of LLC "MIG" LLC is presented. The main factors of influence and competitiveness were revealed and recommendations were given to improve the competitive position of enterprises. The main **methods** of this study are the methods of empirical research, such as observation, comparison, measurement, as well as abstraction, analysis and synthesis, induction and deduction. Today, technologies have tremendous growth rates, consumer needs are growing with maximum geometric progression, so the task of each enterprise is to be competitive, to have competitive advantages, in order to survive in the world market. Despite the fact that the concept of competitiveness has been studied for a long time, there are issues that need to be studied as quickly as the market allows, in order for enterprises to be able to maximize profits, so the question of competitiveness market analysis is relevant for every enterprise today. In today's global economic development, which is characterized by competition and extremely fast pace of development of the organization, an important component of competition can be considered a vector of orientation to the needs of clients and work in the field of the client. The desire to succeed in customer service is maximized, so there is a growing need for practical guidance on how to focus on customer needs and interests, which will help to maximize competitiveness in the market. The research has **practical value**, evidenced by recommendations given for improving the competitive position of an enterprise operating in the Ukrainian market by analysing the competitiveness, competitive environment and the vector for its development.

Keywords: competitive environment, strategy, competitiveness, development, efficiency, key success factors, competitive advantages.

JEL Classification: L11, M11, D41.

INTRODUCTION

In Ukraine and in the world, the problem of finding effective means of enhancing competitiveness comes to the fore, since the active development of economic relations, production, the emergence of new players in the market, changing consumer needs forces us to constantly improve our competitive advantages and to have an effective strategy to compete. The intensification of competition for the most favorable conditions of production and the opportunity to have higher profits forces countries and manufacturers to constantly seek new reserves and opportunities, to innovate, to improve technology, to create better products. In times of crisis, risks and threats to business are increasing sharply, in these circumstances there is a need to adapt to changing conditions, so research into the issue of competitiveness is very relevant today and is important for consideration and research.

LITERATURE REVIEW

The analysis of the economic literature shows that there is a multidimensional interpretation of the term “competitiveness”. Research of theoretical and practical bases of studying the competitiveness of the enterprise on the market were reflected in numerous works of foreign and domestic scientists S. Smerchivsk, I. Ansoff, G. Assel, G. Azoev, I. Ansoff, F. Kotler, G. Mintzberg, Peters, M. Porter, F. Taylor, A. Smith, A. Fayol, R. Fathutdinov, A. Yudanov, and others.

But the question to date remains to determine the theoretical aspects and the positive experience of competitiveness of the enterprise and the factors that influence it, which are not yet well understood and require more in-depth research.

PAPER OBJECTIVE

The purpose of the study is to study the main directions of increasing the level of competitiveness of the enterprise and the possibility of putting these methods and directions into practice in real competitive conditions.

To achieve this goal, the following tasks were solved: theoretical aspects of the concept of competitiveness, competitive environment of the enterprise are considered, the basic methods of struggle against competition in the enterprise are defined and characterized. The main competitive strategies for the enterprise are analyzed, the organizational and economic characteristics of the activity of the enterprise are conducted, diagnostics of competitiveness of the selected enterprise is carried out. The development of effective mechanism of the ensuring economic security in an integrated manner, were evaluated ways to improve the organization: structural, financial, economic, marketing, substantiation of economic feasibility of implementation of the proposed measures.

METHODOLOGY

The main methods of this study are the methods of empirical research, such as observation, which was used to study in detail the state of competitiveness of the investigated enterprise. Methods such as comparison, measurement, abstraction, analysis, synthesis, induction and deduction were also used to determine the interdependence between the factors, affecting the level of competitiveness of the enterprise.

RESULTS AND DISCUSSION

Today any business activity is built on and fully dependent on market relations. The basic concept that defines the essence of market relations is competition. Until the early 1990s, Ukraine was not engaged in research on competition and competitiveness, since there was no practical knowledge, but now, in the face of fierce competition, this issue becomes very relevant. Research, analysis and consideration of the competitiveness of the enterprise is important not only for the enterprise, but also for the economy of the country as a whole, because competitiveness is the key to obtaining high and stable profits, as well as ensuring the viability of the enterprise, its economic security and sustainable development. Therefore, the main task for commodity producers today is to build a completely new and solid competitive strategy that will enable them to compete in domestic economic markets and boldly go beyond their borders while capturing foreign markets.

Analyzing the components of competitiveness, organizations are increasingly turning their attention to a customer-centric approach, namely customer service as a means of achieving competitive advantage.

The relevance of the concept of competition, competitiveness for many centuries is a major issue for economists, managers, marketers from around the world. Researching the work of many scientists, it was determined that competition is a competition, a struggle between players in the economic field for the most favorable conditions of production and sale of goods, for the greatest profits.

Competition forces companies of all forms of ownership to constantly monitor changes in supply and demand, the cost of material resources, reduce production costs, improve the quality of their products and services on the market, increase their competitiveness. So the question of being competitive in the market is important today. What is the concept of competitiveness?

Analyzing the works of scientists who have previously researched this concept and those who are currently engaged in research, these concepts can be combined and presented in a single table.

Table 1

Approaches to defining the concept of "competitiveness" in economic literature

Author	Definition
M. Korinko	The competitiveness of an organization is defined as the ability of a firm to produce competitive products, an advantage of the firm in relation to other firms of the given industry domestically and abroad (Korin'ko M. D., 2003)
R. Gretzky	Competitiveness is a factor or combination of factors that makes an organization more successful than its competitors in a competitive environment and cannot easily be repeated by competitors (Hretskyi R. L., 2007)
D. Mylenky	Competitiveness is the ability to better meet existing or emerging needs in the region (Milenkyi D. V., 2008)
E. Boguslavsky, Y. Shibalkina	Competitiveness is considered as the role of the region and its place in the economic space of the country, the ability to provide a high standard of living for the population and the opportunity to realize the potential that the region possesses (Boguslavsky E. I. and Shibalkina Y. S., 2009)
S. Smerchivska	Competitiveness is defined as determined by the economic, social, political and other factors of the situation of the region and its individual producers in the internal and external markets, which is reflected through indicators (indicators), adequately characterizing the state and dynamics (Smerichivska S. V., 2009)

Source: own compilation

Today, the competitiveness of an enterprise is one of the most important tasks for all enterprises that work and compete with each other. The main task should be research and analysis of competitiveness.

Ensuring the competitiveness of the enterprise - is a set of sequential actions of the management subsystem, the sphere of provision (information, scientific, legal, regulatory resource) that exert mutual influence on the managed subsystem (technical, technological, social, labor, organizational, economic, financial and investment components) competitiveness in the market.

Management of enterprise competitiveness requires restructuring of the whole management system, and especially its strategic part. At the present stage, the functions of competitiveness management are implemented in five stages: planning activities in the field of competitiveness, organizing the process of motivating employees who carry out the processes of controlling and regulating the process of ensuring the competitiveness of the enterprise.

The issue of competitiveness assessment has been repeatedly considered in fundamental scientific works, but to date no unified methodology for assessing the competitiveness of an industrial enterprise has been developed.

What is the purpose of assessing the competitiveness of an enterprise? The main objective is to identify and evaluate the factors that affect consumers' attitude to the enterprise and its products and which allow to compete with and win over other producers. The competitiveness of an enterprise should only be assessed by comparing the conditions, resources and performance of an enterprise with a particular group of enterprises that are recognized by its competitors.

In order to properly analyze and investigate an enterprise, it is necessary to carry out a complete diagnosis of it.

It is important to diagnose internal potential and external market factors that directly affect the competitive environment. Such diagnostics refers to the method of "qualitative" assessment of the competitiveness of the enterprise, they include: SWOT-analysis, SNW-analysis, PEST-analysis. According to the SWOT analysis, the analysis of environmental factors of indirect and direct influence (opportunities, threats), as well as the analysis of environmental factors of the enterprise (advantages, weaknesses). SNW analysis with the help of this analysis it is possible to analyze the factors of the internal environment of the enterprise. PEST-analysis to carry out an analysis of environmental factors of indirect impact on the enterprise, depending on its industry characteristics (Baryshpol, N. and Bondarenko, S., 2017).

Each enterprise must evaluate and analyze its financial and economic status. It is possible to use the method of express diagnostics to evaluate the financial and economic condition of the enterprise. This method is used to obtain prompt information on identifying indicative deviations from economic activity by calculating key indicators and, accordingly, performing ambulance to the enterprise. The system of rapid diagnostics allows to identify the problematic moments and to investigate the critical situations of the enterprise, to identify the signs of development of the entrepreneurial crisis and to provide recommendations for its prevention. Used for rapid diagnostics accounting, statistical and financial reporting of the company (Baryshpol, N. and Bondarenko, S., 2017).

In practice, enterprises cannot apply all the recommended coefficients that are included in the system of rapid diagnostics, so the most indicative indicators, which characterize the financial and economic condition of the business entity, are selected.

The competitiveness of an enterprise is one of the most important categories of a market economy and characterizes the ability and efficiency of adaptation of the enterprise to the conditions of the market environment. Inaccurate or insufficient valuation may result in the company not being competitive enough or not able to compete in the market at all.

The study of competitiveness is the main component of the analysis of the market of competitors, the study of the mechanism of its functioning. In carrying out such an analysis, it is necessary to gather all the basic information about the company, the competitive situation, market

factors and the results of their action, and one of the important points is the need to characterize the structure and determine the components and factors of the competitive environment.

One approach to assessing competitiveness research based on competitive advantage theory developed by M. Porter. Where the level of competition depends on five components (Porter, 2008):

- threats of substitute products;
- threats of new players;
- the market power of suppliers;
- consumer market power;
- the level of competition

There are methods for evaluating an enterprise based on evaluating an enterprise's marketing strategy based on building a matrix of competitive strategies.

The essence of the assessment lies in the analysis of the matrix, constructed on the basis of the coordinate system: horizontally – the rate of growth (reduction) of sales; vertically – the relative share of the enterprise in the market. Most competitive are those with a significant share of the fast-growing market.

Of course, research and analysis of the enterprise on competitiveness plays a significant role in the further development of the enterprise, industry, products as a whole.

In addition to the necessary actions listed above, an important component is identifying key success factors as one without which no competitive strategy can be built.

The key success factors in an industry (KSF) are the strengths and capabilities of an enterprise, the skillful use of which will provide it with high competitiveness and profitability in the strategic period. KSF businesses in different industries vary and even in the same industry change over time. There are KSF of the industry and KSF of this enterprise. The number of KSFs in the industry does not exceed three to four, of which only one or two are most important (Saienko M. H., 2006; Bakaj V. J., 2016).

KSFs depend on:

- a) technology and innovation;
- b) the state of production (quality, cost, the level of resources of supply and efficiency of their use, etc.);
- c) the level of marketing;
- d) sales opportunities and skills (sales network, sales costs, etc.);
- e) professional level of staff;
- e) organizational capabilities (information systems, modern management, etc.);
- g) other factors (image, commitment of local authorities, access to financial markets, favorable natural conditions and location, etc.).

After rapid diagnostics of the enterprise, research of competitiveness, analysis of marketing strategy, carrying out "qualitative" diagnostics and determination of CFU of the industry, the next important step is to identify and evaluate competitive advantages.

The main difference between most Ukrainian enterprises, and especially industrial ones, from their foreign competitors is that they are several times less efficient and capital-intensive. Of course, for the formation of their own competitive advantages, you must either invest in the development of as many resources as foreign competitors, which is very problematic, or concentrate their resources only on the most promising areas of activity. Therefore, a rapid increase in the level of competition in the domestic and foreign markets leads to the competitiveness of those enterprises that will have competitive advantages in all areas, namely: in reducing costs, improving the quality and expansion of product range, ensuring production flexibility, increasing profitability, implementation innovation, knowledge development and more. The competitive advantage of the enterprise depends directly on the competitive advantages of the products. Figure 1 shows the direct dependence of an enterprise's competitive advantage on its competitive advantage.

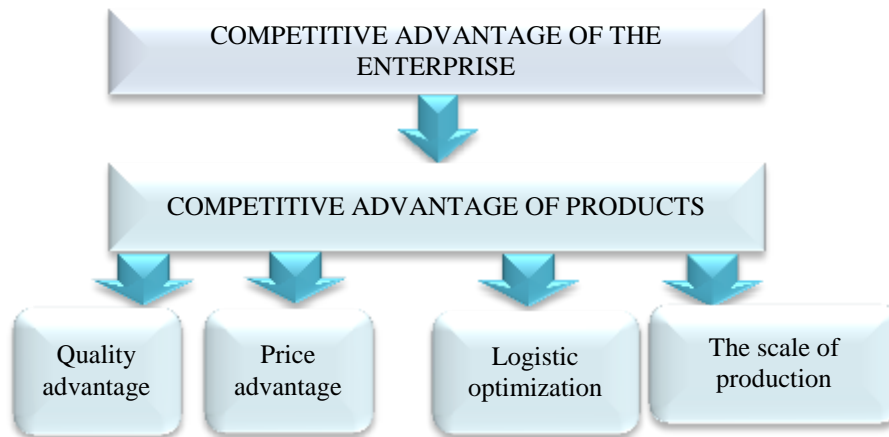


Figure 1. The direct dependence of the competitive advantage of the enterprise on the competitive advantages of products

Source: modified after (Tsvok, D. R. and Yavorska, N. P. (2017)

After exploring the main methods of competitive advantage of the enterprise and analyzing possible ways of assessing the competitiveness, it is further necessary to apply these methods and ways in practical experience. The object of research was selected for the analysis and evaluation of LLC MIG, a company operating in the market of Ukraine in Zaporizhzhia, whose main activity is the production and sale of LED products. In this direction, the industry analyzed the possible competitors, which in turn were allocated to strategic groups. Tables 2 and 3 identify the main competitors and are distributed by attribute to build a strategic group.

Table 2

The main competitors of the enterprise of the Scientific-Production Company "MIG"

Company	Assortment	Geographic scale of activity
LLC "NVP MIG"	Narrow	Narrow
PE "Zyabkin"	Narrow	Narrow
Monolit-LTD LLC	Narrow	Narrow
Sintez-Led Company	Average	Narrow
Southern Industrial Company LLC	Average	Wide
KP "Misksvit"	Average	Narrow

Source: own compilation

Table 3

Background for building a map of strategic groups

№	Company	Markets	Product Certification
1	LLC "NVP MIG"	Wholesale	+
2	PE "Zyabkin"	Retail	+
3	Monolit-LTD LLC	Wholesale	-
4	Sintez-Led Company	Retail	+
5	Southern Industrial Company LLC	Wholesale	+
6	KP "Misksvit"	Wholesale	+

Source: own compilation

In Figures 2 and 3 these competitors are divided into strategic groups by characteristics.

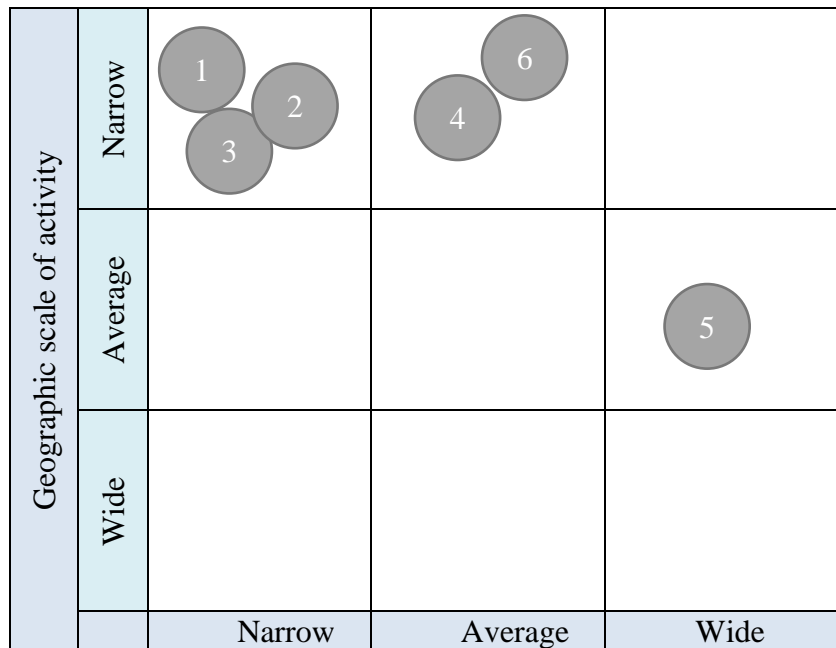


Figure 2. The competitors which divided into strategy

Source: own compilation

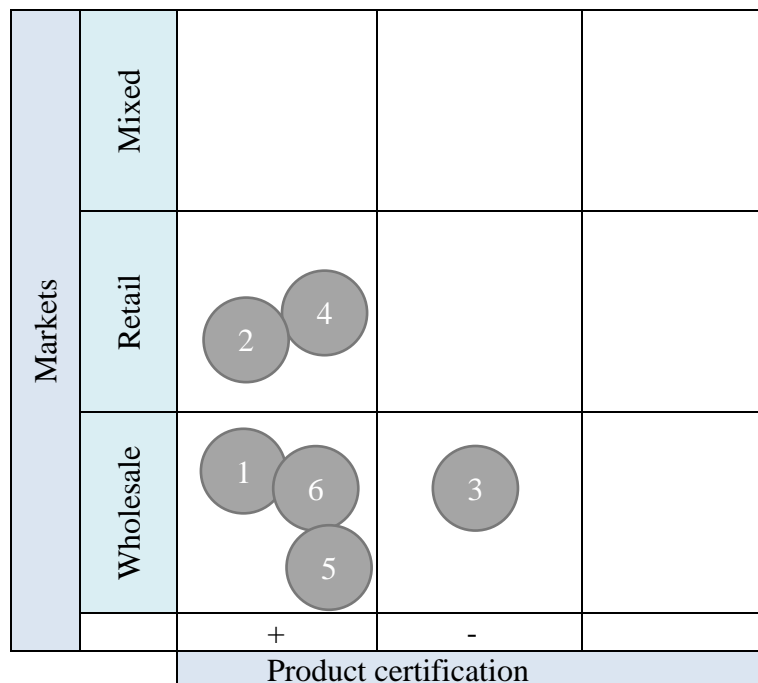


Figure 3. The strategic groups characteristics

Source: own compilation

Therefore, for this enterprise the largest players in the market are KP “Misksvitlo”, LLC “Southern Industrial Company”, PE “Zyabkin”, LLC “Monolith-LTD”.

Further, for conducting full diagnostics and analysis of competitiveness of the enterprise an analytical description of the organization, its branch affiliation, real directions of activity, analyzed stages of development of the enterprise, its organizational structure, financial and economic analysis were carried out. Competitors, the evaluation of the marketing strategy, the method of M. Porter gave an assessment of competitiveness, both enterprise and industry, pro implemented by the KSF in the industry.

According to the results obtained, NIG “MIG” is: not a state-owned trading enterprise, this enterprise is a small, profitable, formal enterprise with imperfect linear organizational structure that has undergone two complete stages of development and is in the stage of youth development (i.e. in the transitional period) the growth of the organization is, as a rule, unsystematic, by jerks; the organization is increasingly gaining ground, but coordination is below the optimum level; there are significant threats: liquidity shortages, difficult access to credit. Analyzing the organizational structure of management, it was concluded that the structure is linear and imperfect, because the staff is not adequately staffed in some departments, and there are not enough specialists in the field of marketing, accounting, HR, and there are no IT specialists at all.

Analyzing the share of personnel in the two reporting years (2018-2019), we can say that the share of executives has increased, but the share of workers, specialists and employees, on which the main profit of the enterprise depends, remained unchanged. The share of non-industrial personnel, which is not basic in the enterprise, remained constant.

According to the financial and economic indicators, this company has financial difficulties. The ratio of financial independence of the enterprise shows a steady tendency from 2014 to decrease, which means that the enterprise has practically no own funds and needs constant external sources of financing, may be insolvent and be in the risk zone. In the case of the surveyed enterprise, we see that the coefficient of dependence also increased significantly during 2014-2018, which indicates the dependence of the company on external investors and creditors, and we can also speak about some decrease in financial stability. Analyzing the profitability indicators, we noticed that the profitability indicators are decreasing. In 2014, the loss of activity was 11.60%, while in 2018 it was 6.89%. This indicates that the company has chosen a strategy for economic growth, but it is imperfect and does not work in full.

The SWOT-analysis made it possible to draw attention to the fact that the company's opportunities are related to the economic development of the state and with the increase of financing of state and municipal institutions, increase of demand for innovative products, entering other markets of the country. Threats to the company may be due to the planned increase in the dollar, a decrease in the investment attractiveness of the country, a decrease in demand for trading equipment, the activation of existing competitors, a shortage and an increase in the cost of financial resources.

Strengths are strong customer base, constant partners, flexibility of the price offer, and certification of the goods. But there are also threats from the weaknesses: lack of innovative activity of the enterprise, low marketing activity, lack of representative offices in the regions of the country and abroad, lack of FEA, lack of customer incentive system, poor organizational and management structure.

Assessing the competitiveness of this enterprise, we saw that NVP MIG LLC is in a very strong competitive circle. The market is saturated with commodities-substitutes, the products of the enterprise lack unique characteristics. The products have an average level of quality and competitive price. The company market is highly competitive. There is a high risk of losing customer base. The threatening position of new products and players in the market of this industry. We need to constantly analyze the market situation and make flexible decisions to improve the situation.

Improvement of financial results can be achieved by establishing close relationships with intermediaries, implementing a low-cost strategy, social and organizational development, implementing innovative technologies, developing low-cost and cost-effective measures, etc.

Considering the analysis and research that was carried out for this company, we can conclude that a strong competitive strategy is needed, taking into account the data that has been obtained. Therefore, a strategy was proposed to improve the competitiveness of the enterprise, which included all the necessary steps, starting with the financial and economic and ending with the restructuring of the organizational structure of management. These steps are described in more detail below.

In view of the financial and economic indicators, LLC NVP MIG is unprofitable. The reason is insufficient demand for products. The company does not fully meet the needs of consumers and potential partners. Therefore, consumer needs analysis allows us to target the production and sale of LED products in yet another innovative vector of direction – these are the design built-in LED lamps.

The yield index for the proposed innovations was calculated to be more than one. This means that this investment project can be accepted and considered profitable. Next, the effectiveness of the proposed measures and the payback period were calculated. The payback period was 3.5 months. Therefore, these measures are profitable and can be boldly implemented to bring the enterprise out of the crisis and as those that will help the enterprise to be competitive.

The next strategic step to increase the enterprise's competitiveness will be to change the organizational structure.

Suggestions to address these shortcomings:

- improve the structure of the organization: add two specialists to the personnel department in order to reduce the burden on the director and free up time for other, more strategic work;
- hire two specialists in the marketing department to achieve the goals and objectives of internal marketing, to analyze the competitive environment, to strengthen long-term interactions with clients, to attract new ones;
- to add to the technical department of the IT-specialist for protection of economic and other data, not to waste time to search for this specialist if necessary;
- add a specialist to the accounting department and differentiate responsibilities;
- empower heads of departments to make strategic decisions;
- to add a specialist to the production department for unloading middle management levels, this will allow for a more balanced and expedient implementation and planning of the department's activities.

With regard to strengthening positions in the competitive market, the following measures were proposed:

- improving marketing activities – give maximum attention to research, analysis and forecasts of the competitive environment, namely: analysis of the reasons for the success of competitors, analysis of market proposals, pricing policy throughout the year, production and sales opportunities, analysis of equipment upgrades, possible innovations, market share.
- increase of "service" parameters – in this regard, it is necessary to improve the payment terms for large partner firms in deferred payment. Another means of increasing "service" is the wider application of the discount system.
- improvement of the personnel management system - staff incentives (bonuses, promotions, insurance, trade unions for employee rights protection, teambuilding), organizational culture (initiate values, standards of behavior, treating the company as a business, introducing an open door culture, staff development (trainings) , refresher courses)
- reducing the cost of LED products – first of all, it is the search for such companies that sell consumables of impeccable quality, but at a cheaper price than regular sellers. The best option is to go without intermediaries and establish direct contacts directly with the manufacturers.

- improvement of the production system – improve the structure of investments in the enterprise. To carry out a complex of measures for updating and modernization of the equipment, having purchased modern professional equipment.

- introduction of innovations.

The next step to increase the competitiveness of this company is to research and improve the customer-oriented approach.

In markets where competition is getting stronger every year, those organizations that are focused on the needs of customers and clients in general show the best result of their activities. For example: a Tesco retailer has been able to increase its profitability and share in the turnover of the market and to win the leading position in the competitive market, Levis has a special section in the store where you can change the product to your taste, thanks to which the company has increased sales in several times.

First of all, a strategy was developed to retain regular customers by developing loyalty programs, value to the client throughout the life of him (willingness to help, ability to solve problems, reliability, quality).

The next step is to provide 24/7 online customer support to help your organization get the following benefits:

1. Ability to sell products faster
2. Ability to establish customer feedback.

It helps create more sophisticated products and build customer loyalty.

The customer-centric approach was based on both positive and negative feedback, i.e. it was suggested to create a department (online resource) for customer feedback, which is customer care, which in turn leads to better quality of service. Also, through the Internet, the organization has the opportunity to conduct surveys of the degree of customer satisfaction online each time with the opportunity to choose different criteria.

The first online survey was conducted in the service sector, and the ability to listen to a client is Table 4.

Table 4

Online customer survey results

Service	Importance (%)	Efficiency (%)	Difference between expected and actual results (%)
Attention given to the client	68	47	-21
Fast product selection	66	47	-19
Reservation	88	77	-11
Urgent return	71	61	-10

Source: own compilation

This survey shows that special attention should be paid to the two needs of clients – this is a reservation by reservation and an early return.

Many organizations use standard benchmarking methods, in addition to standard customer survey and listening methods, to help document the causes of the differences and identify the necessary actions that allow competitors to be the best in the category and outperform them by developing an action plan.

There are four basic methods of benchmarking:

1. With direct competitors
2. With parallel industries

3. With other units of your organization
4. With other industries or organizations as the best in this category.

The strategy-process of comparative analysis of LLC "NVP MIG" was developed for the correct use of the method of comparative analysis (Figure 4).

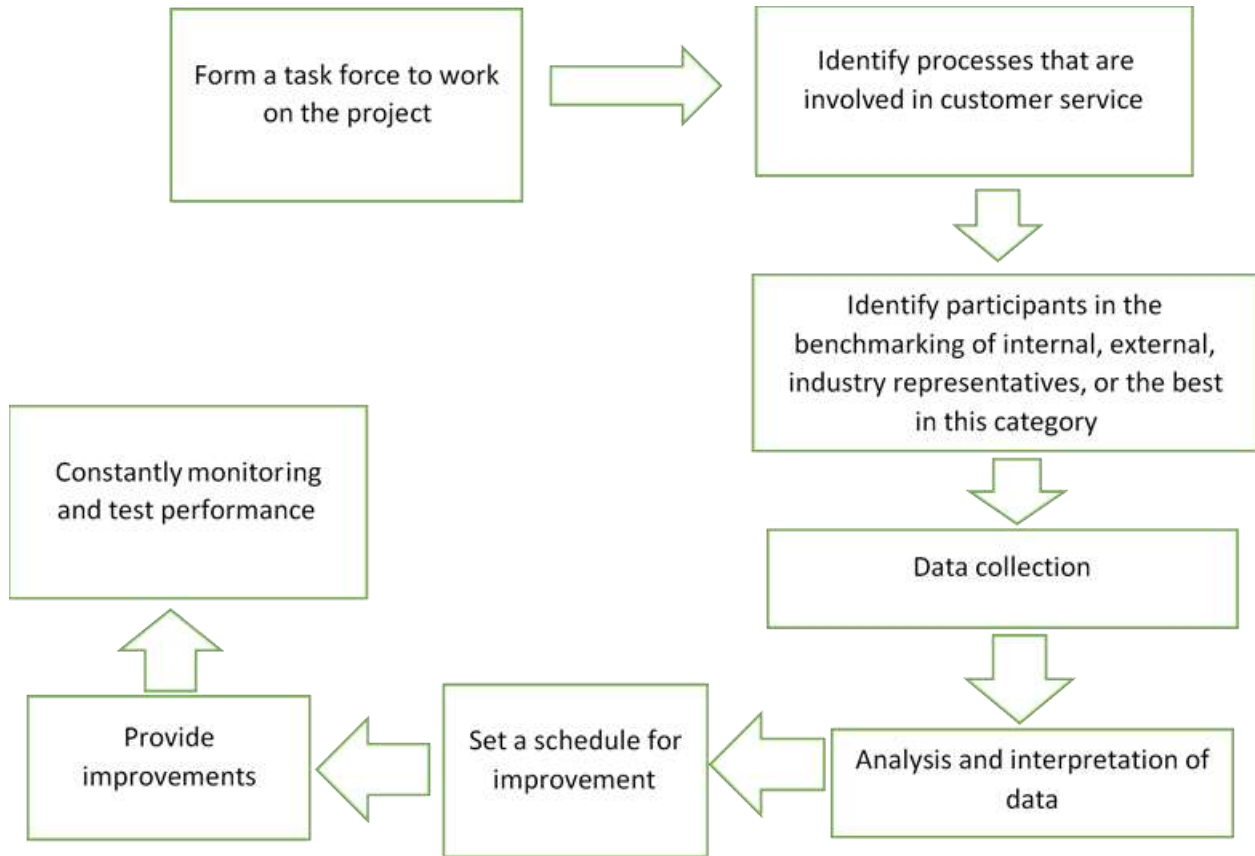


Figure 4. The strategy-process of comparative analysis of LLC "NVP MIG"

Source: own compilation

Therefore, businesses need to constantly enhance the quality of service as they undertake long-term customer responsibilities. It can be assumed that only those companies that have a customer-oriented approach will retain their competitive advantage and will be constantly improving.

CONCLUSION

The ultimate goal of enhancing a company's competitiveness is to increase profitability and expand its sales market, increase its market share and ensure sustainability.

Therefore, all these measures will help NPP MIG to be competitive on the market, overcome the financial and economic crisis and become successful.

Analyzing all the actions that have been proposed to analyze and research the competitiveness of the enterprise, as well as the significant changes that have been developed to increase the competitiveness of the real enterprise, both in the management of the enterprise, in the control of marketing strategy and in the implementation of innovations, make it possible to assure that competitive strategy, methods of struggle, relationships with competitors is important and must be

constantly researched and improved to ensure competitive advantages of enterprises and “healthy competitive climate” in the market competition.

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АНАЛІЗ КОНКУРЕНТОСПРОМОЖНОСТІ ТА КОНКУРЕНТНИХ ПЕРЕВАГ В СУЧАСНИХ РИНКОВИХ УМОВАХ

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Стаття присвячена питанням аналізу конкурентоспроможності, за допомогою якого можливо в повній мірі оцінити переваги, недоліки, ризики та побудувати міцну конкурентну стратегію, базуючись на конкурентних перевагах в сучасних ринкових умовах. Висвітлено основні методи конкурентного аналізу, їх недоліки та переваги, визначено найефективніші методи оцінки конкурентних переваг. Сьогодні технології мають неабиякі темпи зростання, потреби споживачів ростуть з максимальною геометричною прогресією, тому задача кожного підприємства буди конкурентним, мати конкурентні переваги, для того, щоб вистояти на світовому ринку. Незважаючи на те, що поняття конкурентоспроможності вивчається достатньо давно, є питання які повинні вивчатися так швидко, як це дозволяє ринок, для того, щоб підприємства мали можливість отримати максимальні прибутки, тому питання аналізу ринку конкурентоспроможності на сьогодні актуальне для кожного підприємства. Метою статті є окреслення основних напрямків підвищення рівня конкурентоспроможності підприємства та можливості втілення даних методів та напрямків на практиці в реальних конкурентних умовах. Основними методами цього дослідження є методи емпіричного дослідження, такі як спостереження, порівняння, вимірювання, а також абстрагування, аналіз та синтез, індукція та дедукція. За результатами дослідження було зроблено висновки про позитивний вплив таких процесів як, проведення маркетингового аналізу, конкурентного аналізу, введення інновацій вивчення питання конкурентної стратегії, методів боротьби, взаємозв'язків з конкурентами, на конкурентоспроможність підприємства. Наукове та практичне значення роботи. Дослідження має практичну цінність, про що свідчать певні рекомендації, щодо поліпшення конкурентної позиції підприємства, що працює на ринку України шляхом аналізу конкурентоспроможності, конкурентного середовища та правильного вектору на розвиток даного підприємства.

Ключові слова: конкурентне середовище, стратегія, конкурентоспроможність, розвиток, ефективність, ключові фактори успіху, конкурентні переваги.

АНАЛИЗ КОНКУРЕНТОСПОСОБНОСТИ И КОНКУРЕНТНЫХ ПРЕИМУЩЕСТВ В СОВРЕМЕННЫХ РЫНОЧНЫХ УСЛОВИЯХ

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Статья посвящена вопросам анализа конкурентоспособности, с помощью которого возможно в полной мере оценить преимущества, недостатки, риски и построить прочную конкурентную стратегию, основываясь на конкурентных преимуществах в современных рыночных условиях. Освещены основные методы конкурентного анализа, их недостатки и

преимущества, определены наиболее эффективные методы оценки конкурентных преимуществ. Сегодня технологии имеют серьезные темпы роста, потребности потребителей растут с максимальной геометрической прогрессией, поэтому задача каждого предприятия быть конкурентным, иметь конкурентные преимущества, для того, чтобы выстоять на мировом рынке. Несмотря на то, что понятие конкурентоспособности изучается достаточно давно, есть вопросы, которые должны изучаться так быстро, как того требует рынок, чтобы предприятия имели возможность получить максимальные прибыли, поэтому вопрос анализа рынка конкурентоспособности на сегодня актуален для каждого предприятия. Целью статьи является определение основных направлений повышения конкурентоспособности предприятия и возможности воплощения данных методов и направлений на практике в реальных конкурентных условиях. Основными методами этого исследования является методы эмпирического исследования, такие как наблюдение, сравнение, измерение, а также абстрагирование, анализ и синтез, индукция и дедукция. По результатам исследования были сделаны выводы о положительном влиянии таких процессов как, проведение маркетингового анализа, конкурентного анализа, введение инноваций изучения вопроса конкурентной стратегии, методов борьбы, взаимосвязей с конкурентами, на конкурентоспособность предприятия. Научное и практическое значение работы. Исследование имеет практическую ценность, о чем свидетельствуют определенные рекомендации по улучшению конкурентной позиции предприятия, работающего на рынке Украины путем анализа конкурентоспособности, конкурентной среды и правильного вектора на развитие данного предприятия.

Ключевые слова: конкурентная среда, стратегия, конкурентоспособность, развитие, эффективность, ключевые факторы успеха, конкурентные преимущества.

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MODERN APPROACHES TO WAREHOUSE LOGISTICS MANAGEMENT

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Abstract. The article **aims** to systematize the main approaches to the definition of warehouse concept. It analyses modern approaches to warehouse logistics management and identifies the main advantages and disadvantages of their use in the enterprise logistics system. In the article the theoretical aspects of warehouse logistics are revealed and the existing approaches to warehouse logistics management of modern enterprises are analysed. The mechanism of warehouse logistics management was explored as well as the ways to improve its efficiency were suggested. **Methodology:** general scientific theoretical and empirical methods of research as analysis and generalization, methods of observation and comparison, analytical, grouping of data were used. The urgency and expediency of warehouse modification at Ukrainian enterprises is substantiated. The **relevance** of the article is the need to adopt domestic enterprises to a qualitatively new system of economic relations and mechanisms of competitive relations of the modern market as well as the urgent necessity to adapt business entities to uncertainty in order to improve their management organization strategies, including warehouse logistics. The **practical value** of the research results is that the proposals and recommendations for improving the warehouse logistics management process identified in the paper can be used by enterprises in order to use modern innovative approaches to improving the quality of logistics processes. In addition, the implementation of the proposed provisions will significantly reduce the logistical costs of the enterprise and optimize the activities of any production company.

Keywords: warehouse, preservation of quality of goods, warehousing logistics, inventory, cost minimization, optimization of logistics processes, modern logistics approaches.

JEL Classification: D24, L23.

INTRODUCTION

In the face of fierce competition, the issue of efficient allocation of production resources and ensuring their optimum level with minimal costs is solved through the use of cutting-edge logistics tools that increase the competitiveness of the enterprise, integrating the entity into a single logistics chain. In turn, the functioning of the logistics chain will not be effective without its full integration into market requirements, and warehouse is the main link between the manufacturer and the consumer. Economic activity cannot be aimed at wasting potential, which is why it is important to

qualitatively transform the actors of the market. To increase the level of economic activity, the company should minimize costs, including warehouse. In order to optimize such costs, there is warehouse logistics that helps in finding modern solutions for warehouse organization and process management in it.

LITERATURE REVIEW

International practice of business management indicates that the common way of increasing the competitiveness of enterprises in times of crisis is the logistic concept of management as businesses must organize their operations in such a way as to minimize the costs associated with moving and storing inventory from the primary source to the final consumer. One of the most important elements of the logistics management concept implemented at the enterprise is undoubtedly the optimization of its warehouse economy and ensuring the efficiency of warehouse logistics in general.

Theoretical issues of warehouse logistics management are covered in the works of Yu. K. Bazhenov et al. (1997), A. M. Hajinsky (2007), E. V. Krykavskyy (2004), R. Jindal (2012), I. A. Lenshin and Yu. I. Smolyakov (1996), H. Min (2006), Yu. M. Nerush and A. Yu. Nerush (2017), O. V. Tserkovna (2019), M. A. Oklander (2004), Y. V. Ponomariova (2003), B. Shah and V. Khanzode (2017), I. G. Smirnov (2004), T. Wild (2017) and others.

Nevertheless, the issues of qualitative organization and management of warehouse logistics at modern enterprises need more detailed study, given their significant actualization and role in forming the competitive advantages of the national economy.

PAPER OBJECTIVE

The purpose of the article is to systematize the main approaches to the definition of warehouse concept, to give examples of the basic systems of classification of warehouse space, to analyse the problems of existing approaches to warehouse logistics management of the enterprise and to reveal the advantages and disadvantages of the main modern areas of warehouse management in the domestic enterprise.

METHODOLOGY

Developing the research, general scientific theoretical and empirical methods were used, such as: analysis and generalization, methods of observation and comparison, analytical, grouping of data. The study also benefited from the Official State Statistics Committee of Ukraine's statistic data when researching the structure of the Ukrainian logistics services market.

RESULTS AND DISCUSSION

Warehousing logistics is a logistics industry that develops methods of organizing procurement, receiving, placement, accounting for material resources, warehousing and inventory management. The purpose of warehouse logistics is to reduce financial and time costs for warehousing and processing goods. Thus, warehouse logistics can be described as an open, stochastic, dynamic, sophisticated, and responsive feedback system that performs specific functions. The warehouse logistics system consists of several subsystems and functions to deliver goods to the full satisfaction of the buyer's needs with a minimum set cost level.

Enterprise storage system includes the following components:

Table 1

Warehouse components

Warehouse component	Elements of warehouse component
Warehouse	Warehouse and warehouse territories
Loading and unloading systems	Loading and unloading equipment, car and rail ramps
Internal transport systems	Conveyors, forklifts, trolleys
Goods processing systems	Bar coding, sorting, packaging and packaging lines, ordering
Goods storage systems	Shelves, pallets, containers, special equipment for maintaining the quality of goods
Systems of warehouse accounting of goods	Manual, automated and computerized goods accounting systems

Source: own study

Warehouse is an integral part of the activities of industrial enterprises, as its purpose is to reduce the time gap between production and consumption, which ensures the continuity of production and supply. Warehouse is a special building, construction and various equipment intended for receiving, placing and storing cargoes, preparing them for delivery to the consumer and consumption (Hadzhinsky, 2007).

When analyzing warehouse operations, it should be noted that they have certain features (mostly negative), such as:

1. Warehouses do not create additional consumer value, which means that warehouse operations are not a profitable activity.
2. The quality of cargo stored in a warehouse deteriorates over time and the risk of loss of goods as a result of theft increases.
3. Maintaining an appropriate warehouse and managing a warehouse requires considerable financial and time costs.
4. The long-term preservation of a large volume of stocks slows down the circulation of working capital (Ponomareva, 2003).

Logistics allows a complete and comprehensive analysis of any system of behavior in all its complexity and diversity, because the analysis of the operation of large systems requires a systematic approach. It can be concluded that a logistical approach is a systematic approach to the study of socio-economic systems. The peculiarity of the logistic approach is that each state of warehouse, as well as their totality is considered in relation, development and continuity and in the improvement to a qualitatively new state. Complex systems are thus regarded as a hierarchically interdependent set of open subsystems, and therefore, when making any management decision, their influence on related elements cannot be ignored (Grigor'ev and Uvarov, 2014).

The introduction of an efficient and technically equipped warehouse management at the enterprise on the basis of logistic approach allows achieving important production goals (Figure 1):

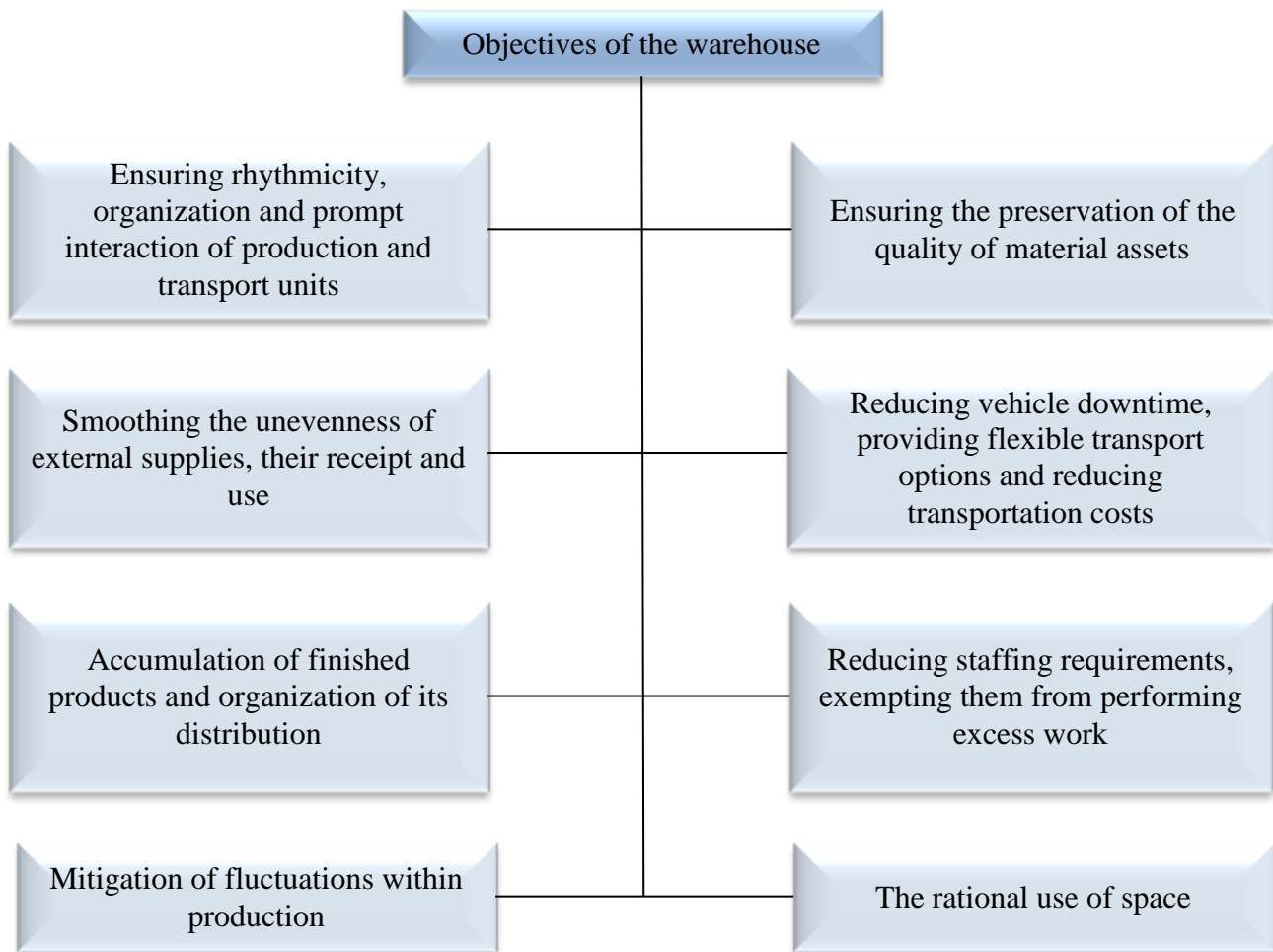


Figure 1. The main goals of creating a warehouse

Source: own compilation

So, analysing the goals of the warehouse management, the main tasks of warehouse logistics are the following:

- 1) placement of the warehouse network at the landfill;
- 2) effective inventory management;
- 3) storage and preparation of goods for delivery;
- 4) organization of deliveries and unloading and loading works.

The main purpose of warehousing in the enterprise logistics system is not to store goods, but rather to transform the parameters of material flows in order to use them as efficiently as possible. Such parameters are the volumes and quantitative composition of the consignments of goods, the method and type of packing, the number of nomenclature in the consignments, the time of departure and arrival of the consignments, etc.

It is at the level of the logistics chain that the main functions and technical requirements for the warehouse economy of the enterprise are formed. Therefore, in order to achieve a high level of warehouse operations and increase the level of profitability of the business, it is necessary to consider warehouses as an integrated component of the logistics chain. The profitability of the warehouse system of an enterprise is achieved only by an individual approach to its creation, taking into account all factors of influence. To accomplish these tasks, it is necessary to specifically define the functional tasks of the storage system.

Therefore, most scientists focus on the four basic functions of warehousing:

- transformation of production process into consumer according to demand;
- storage;
- transportation and unification of cargo;
- information support of warehouses and control over the process of order fulfillment;
- operations to maintain a high level of customer service.

In modern theory and practice, there are a large number of classifications of warehouses, which may be presented, according to their specific features in table 2:

Table 2

The main types of warehouses

Classification mark	Type of warehouses
Functional purpose	Sorting-distributive, cumulative and transit-transshipment
Size of usable storage area (storage volume)	small – up to 5 thousand m ² , up to 1 thousand tons; average – from 5 to 10 thousand m ² , from 1 to 6 thousand tons; large – more than 10 thousand m ² , more than 6 thousand tons
The level of automation and mechanization of unloading and loading operations	Non-mechanized, mechanized, complex-mechanized, automated and automatic
Transportation conditions	Ritual, at marinas, port, non-run (inland)
Form of use	Individual use, sharing
Ownership	Public, collective, private, joint
Surface height of premises	Low-altitude (single-storey), mid-altitude, high-altitude
Temperature mode	Warm, heated, unheated, refrigerated warehouses
The technical structure that determines the mode of storage of goods	General merchandise, special
Attitude towards logistics intermediaries	Own warehouses, warehouses of logistics intermediaries
Relation to the basic areas of logistics	Supply warehouses, distribution warehouses, production warehouses
The kind of products stored in the warehouse	Warehouses of raw materials, components, materials, warehouses of work in progress, warehouses of containers, warehouses of return waste, warehouses of finished goods

Source: own compilation

Thus, sorting-distributive warehouses make a big share in the warehouse turnover. Such warehouses are built for logistical operations on acceptance of cargo from the supplier, sorting, picking of cargo according to the order of retail resellers. Usually, they focus on current inventory, which does not last long. Such a function as cargo storage for sorting warehouses is not typical.

Transit and transshipment warehouses are created for the purpose of transporting goods from the production areas to the points of consumption by different modes of transport. Such warehouses act as transshipment points, which provide unloading of the goods that arrived on one mode of transport, its reception and sorting according to the destination and loading on another mode of transport.

Cumulative warehouses are created at the enterprise for the purpose of seasonal and long-term storage of goods. Warehouses ensure the long-term storage of cargo, so an important role is played by a quality control of cargo storage function in that case. Cumulative warehouses are concentrated mainly in the wholesale trade. Together with the main function of accumulation and storage of cargo, such warehouses carry out auxiliary technological operations related to the acceptance and dispatch of goods to wholesale intermediaries.

To characterize the Ukrainian segment of warehouse real estate, it should be noted that it consists of objects of the following types:

- 1) warehouses located in the territory of existing enterprises or those that are idle;
- 2) warehouses belonging to transport and forwarding companies;
- 3) repurposed industrial objects;
- 4) unfinished construction works being already completed;
- 5) basement and basement floors of buildings.

Only 15% of the Ukrainian warehousing segment is professionally designed and equipped with warehouse terminals and logistic complexes built at the end of the twentieth century.

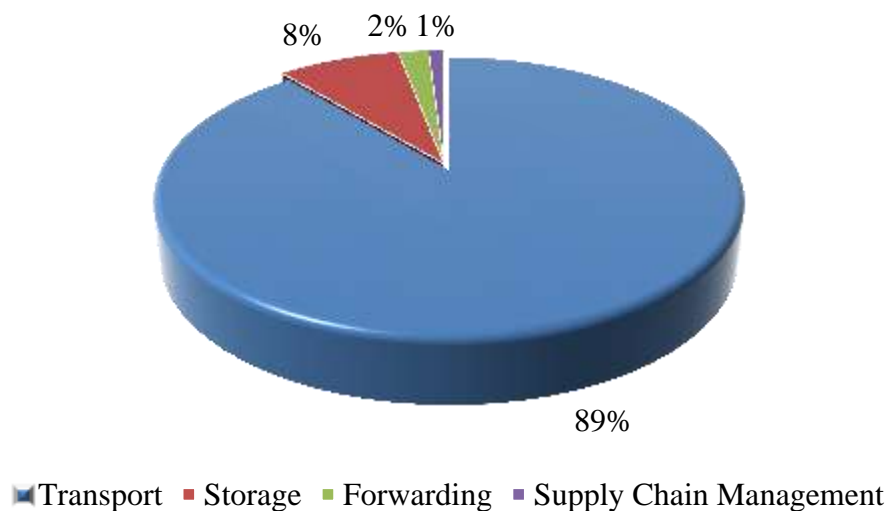


Figure 2. Structure of the Ukrainian logistics services market, 2018

Source: modified after (Official State Statistics Committee of Ukraine, 2020)

According to the results of the research (Official State Statistics Committee of Ukraine, 2020), the Ukrainian market of logistics services has the following structure: transport – 89 %, storage – 8 %, freight forwarding – 2 %, management of logistics supply chains – 1 % (Figure 2). In addition, experts predict the stabilization of the Ukrainian logistics market with a further growth rate of 6 to 9 % over the next 3-5 years.

The modern state approach of solving the problem of Ukrainian logistics is not able to effectively control the market of logistics services. There is no specialist training base in Ukraine, as well as training centers for such specialists. The implementation of modern logistics management approaches is constantly hampered by the state's inability to assimilate and integrate new ideas. For example, due to the imperfection of the legal framework, Ukraine still cannot resolve the issue of introduction and use of electronic document flow. Adoption of the relevant laws would improve the quality of logistics services, accelerate cash flow, process documents and currency transactions, which will give more opportunities to domestic players in the logistics services market to compete in foreign markets.

In the process of economic activity, the industrial enterprise faces the question of modifying warehouse activity, assessing the feasibility of existing ways of providing the company with warehouse space and the optimal search for ways to provide themselves with storage facilities or increase the efficiency of use in the presence of their own.

Modern logistic approaches are characterized by the emergence of a new concept of efficient management of logistics processes and business in general, which aims at reducing the time and financial costs associated with freight in the logistics chain. Supply Chain Management is called logistics supply chain management, through the integration of all business processes that underlie logistics. The basis of these popular modern methods of production modification is warehousing logistics.

At the present stage of development of domestic logistics, several trends can be traced that determine the importance of logistics in the effective construction of business processes:

1. Expanding the opportunity to increase the level of profitability of the business by minimizing production costs and reducing turnover costs.
2. Development of IT technologies and modification of information flows.
3. Active search for the most effective forms of organization of interaction of all market participants.
4. The need to regulate the processes of goods movement not only at the enterprise scale, but also at the regional and national level.
5. Improvement of technology (the logistics system is developing due to modern technical achievements in the transport and storage economy) (Miahkov, 2016).

The development of the warehouse industry in Ukraine is accompanied by a number of obstacles, such as:

1. Lack of land for storage facilities.
2. The complexity of the process of land lease registration.
3. Underestimation of economic benefits by local authorities for the region's extensive warehouse facilities.
4. The unwillingness of domestic companies to invest in warehouse automation.

Today in the domestic market there is a fierce competition between suppliers of different types of products, and the ever-increasing demands on the level of logistic service, speed of supply and quality of products require the majority of enterprises to invest more forces and means for improving the efficiency of supply chain management. Most SMEs successfully minimize costs and strengthen their competitive position by using modern approaches to warehouse management. Consequently, at some stage the idea of cross-docking emerged.

Cross-docking is the process of receiving and sending goods directly through a warehouse, that is, without placing them in a long-term storage area. Such a modern logistical approach involves unloading goods from incoming vehicles and loading them directly into the leaving trucks, eliminating the storage function between these processes. Cross-docking can be used to change the type of transportation, sorting of cargo destined for different destinations, grouping groupage loads from different sources into one container or vehicle. Such a logistic approach is a set of logistics operations in the middle of the supply chain that allow you to ship out of stock and deliver goods with a minimum delivery time.

Cross-docking is divided into two directions:

- 1) one-stage, when the cargo passes through the warehouse as a single order;
- 2) two-stage, for which the shipped goods are re-consigned, with the goods in storage are grouped or vice versa.

Cross-docking eliminates the costs of cargo storage, reduces the need for storage space and staff, and the receiving organization minimizes delivery time to the end consumer and the cost-effectiveness of deliveries, as well as extends customer base geography. According to the latest scientific research, the introduction of the cross-docking approach allows to minimize logistical costs for the delivery of goods from 5 to 15%. However, the use of cross-docking is impossible in the absence of counterparties, which is the basis of this method. Thus, potential partners may not have the necessary storage facilities or cargo fleet to operate the cross-docking system. It is critically important for a logistics company that uses cross-docking to have an appropriate IT system to monitor the execution of logistics operations and track the movement of goods. When transporting fragile loads, additional processing of the goods increases the risk of damage to the cargo (Table 3).

Table 3

Advantages and disadvantages of using cross-docking

Advantages	Disadvantages
Exclusion of costs related to storage of cargo	Subcontractors are required
Reducing the need for storage space	Cargo or transport fleet storage options are required
Minimize delivery time to the end consumer	Availability of IT system for controlling the execution of logistics operations
Expanding the geography of the client base	Risk of damage to fragile loads if they are further processed

Source: own compilation

One of the key principles of warehouse logistics is the analysis of existing management decisions to find ways to improve their efficiency. Based on this principle, there are modern approaches to optimizing logistics processes in warehouses:

- 1) “just in time” system, characterized by the fact that it clearly defines the exact time, amount of materials and the end result, which allows to optimize flows in such a way as to minimize production volumes;
- 2) ordering, which includes several systems of technological operations:
 - 2.1 automated system, managed by the operator and allows you to automatically submit goods;
 - 2.2 reducing the total time of order collection by eliminating downtime. This is due to the compilation of a route map detailing the way of movement of the collector, which in turn shortens the delivery time by almost half;
 - 2.3 logistic coordination between retailers and wholesalers to improve the promotion of finished goods;
- 3) a system for scheduling resource requirements that minimizes inventory and storage costs (Krykavskyy, 2004).

CONCLUSION

In the process of economic activity, the industrial enterprise faces the challenge of modifying warehouse activity, assessing the feasibility of existing ways of providing the enterprise with warehouse space and the optimal search for ways of securing itself with storage facilities or improving the efficiency of use in the presence of their own.

At the present stage of development of domestic logistics, several trends can be traced that determine the importance of logistics in the effective construction of business processes:

1. Expanding the opportunity to increase the level of profitability of the business by minimizing production costs and reducing turnover costs.
2. Development of IT technologies and modification of information flows.
3. Active search for the most effective forms of organization of interaction of all market participants (manufacturers, consumers, intermediaries, transport, warehouses).
4. The need to regulate the processes of goods movement not only at the enterprise scale, but also at the regional and national level.
5. Improvement of equipment (the logistics system is developing due to modern technical achievements in the transport and storage economy).

The development of the warehouse industry may be accompanied by a number of obstacles, such as:

1. Lack of land for storage facilities.
2. The complexity of the process of land lease registration.
3. Underestimation of economic benefits by local authorities for the region's extensive warehouse facilities.
4. The companies' unwillingness to invest in warehouse automation.
5. Absence of a base of specialists with appropriate professional training, as well as centers of training of such specialists.
6. Retarding the implementation of modern logistics management approaches due to the state's inability to assimilate and integrate new ideas.
7. The imperfection of the legislative framework, which is why some countries still cannot resolve the issue of introduction and use of electronic document circulation.

To solve the current problems of warehousing logistics, most large and medium-sized companies successfully minimize costs and strengthen their competitive position, using modern approaches to warehouse management, among which are the following:

- 1) introducing cross-docking methods, i.e. receiving and sending goods directly through the warehouse, i.e. without placing them in a long-term storage area;
- 2) application of the "just in time" system, which allows to optimize processes at warehouses;
- 3) warehouse management automation and use of modern IT technologies;
- 4) the use of a resource needs planning system that minimizes inventory and storage costs;
- 5) the application of the Supply Chain Management concept to manage logistics supply chains by integrating all business processes that underlie logistics;
- 6) ordering, which includes several systems.

The application of modern approaches in the management of warehousing logistics will allow companies to reasonably and purposefully resolve the issue of optimization of logistics operations in the supply chain, to implement the transition to innovative methods and technologies that correspond to the period of formation of the market of logistics services.

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СУЧАСНІ ПІДХОДИ ДО УПРАВЛІННЯ СКЛАДСЬКОЮ ЛОГІСТИКОЮ

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Стаття спрямована на систематизацію основних підходів до визначення поняття складського господарства. Проаналізовано сучасні підходи до управління складською логістикою та визначено основні переваги та недоліки їх використання в логістичній системі підприємства. У статті розкрито теоретичні аспекти складської логістики та проаналізовані існуючі підходи до управління складською логістикою сучасних підприємств. Досліджено механізм управління логістикою складу та запропоновано шляхи підвищення його ефективності. Методологія: використовувалися загальнонаукові теоретичні та емпіричні методи дослідження, такі як: аналіз та узагальнення, методи спостереження та порівняння, аналітичні, групування даних. Обґрунтовано актуальність та доцільність модифікації складів на українських підприємствах. Актуальність статті полягає у необхідності залучення вітчизняних підприємств до якісно нової системи економічних відносин та механізмів конкурентних відносин сучасного ринку, а також у нагальній необхідності адаптації суб'єктів господарювання до невизначеності з метою вдосконалення стратегій організації управління, включаючи складську логістику. Практична цінність результатів досліджень полягає в тому, що пропозиції та рекомендації щодо вдосконалення процесу управління логістикою складів, визначені у статті, можуть бути використані підприємствами з метою впровадження сучасних інноваційних підходів до підвищення якості логістичних процесів. Крім того, реалізація запропонованих положень значно знизить матеріально-технічні витрати підприємства та оптимізує діяльність будь-якого виробничого підприємства.

Ключові слова: склад, збереження якості товару, логістика складування, матеріальні запаси, складське приміщення, мінімізація витрат, оптимізація логістичних процесів, сучасні логістичні підходи.

СОВРЕМЕННЫЕ ПОДХОДЫ К УПРАВЛЕНИЮ СКЛАДСКОЙ ЛОГИСТИКОЙ

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Статья направлена на систематизацию основных подходов к определению понятия складского хозяйства. Проанализированы современные подходы к управлению складской логистикой и определены основные преимущества и недостатки их использования в логистической системе предприятия. В статье раскрыты теоретические аспекты складской логистики и проанализированы существующие подходы к управлению складской логистикой

современных предприятий. Исследован механизм управления логистикой склада и предложены пути повышения его эффективности. Методология: использовались общенаучные теоретические и эмпирические методы исследования, такие как: анализ и обобщение, методы наблюдения и сравнения, аналитические, группировка данных. Обоснована актуальность и целесообразность модификации складов на украинских предприятиях. Актуальность статьи заключается в необходимости привлечения отечественных предприятий к качественно новой системе экономических отношений и механизмам конкурентных отношений современного рынка, а также в настоятельной необходимости адаптации субъектов хозяйствования к неопределенности в целях совершенствования стратегий организации управления, включая складскую логистику. Практическая ценность результатов исследований заключается в том, что предложения и рекомендации по совершенствованию процесса управления логистикой складов, определенные в статье, могут быть использованы предприятиями с целью внедрения современных инновационных подходов для повышения качества логистических процессов. Кроме того, реализация предложенных рекомендаций значительно снизит материально-технические затраты предприятий и оптимизирует деятельность любого производственного предприятия.

Ключевые слова: склад, сохранение качества товара, логистика складирования, материальные запасы, складское помещение, минимизация затрат, оптимизация логистических процессов, современные логистические подходы.

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