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*G. Duginets,*

*Doctor of Economic Sciences, Professor, Head of the Department of World Economy, State University of Trade and Economics, Kiev, Ukraine.*

*ORCID ID: <https://orcid.org/0000-0003-3708-3666>*

*T. Busarieva,*

*Doctor of Economic Sciences, Associate Professor, Professor of the Department of World Economy, State University of Trade and Economics, Kiev, Ukraine*

*ORCID ID: <https://orcid.org/0000-0001-9563-8120>*

**FEATURES OF THE DEVELOPMENT OF COMPANIES IN UKRAINE  
UNDER THE CONDITIONS OF SYSTEM TRANSFORMATION OF THE  
ECONOMY**

*Г. В. Дугінець,*

*д. е. н., професор, завідувач кафедри світової економіки,  
Державний торговельно-економічний університет, Київ, Україна*

*Т. Г. Бусарєва,*

*д. е. н., доцент, професор кафедри світової економіки,  
Державний торговельно-економічний університет, Київ, Україна*

**ОСОБЛИВОСТІ РОЗВИТКУ КОМПАНІЙ В УКРАЇНІ В УМОВАХ  
СИСТЕМНОЇ ТРАНСФОРМАЦІЇ ЕКОНОМІКИ**

*The article analyzes that the formation of the economy at the regional level as a fundamentally new system of socio-economic organization is due to the special role of knowledge in modern civilizational development. The development of the regional knowledge economy is determined by the action of a number of factors: human, which determines socio-economic relations; technological, which is intensively developing under the influence of science; information that generates, redistributes and accumulates new knowledge. For countries in which there is a limitation of their own natural resources, the only rational solution to this problem is the development of more effective methods of using the existing potential of companies. It was determined that intensifying competition forces companies to look for ways to reduce the costs of production and sale of goods through cooperation. Each company makes a comparison - what is more profitable for it, namely - to manufacture any components and goods independently, or to buy them from enterprises with which strong business ties are established. The search for lower transaction costs is an effort to lower transaction costs. It has been proven that in the conditions of global competition, the strategy of international interfirm cooperation does not displace other growth strategies, but develops in parallel with it. As before, the number of collisions between companies in the markets they are interested in is rapidly increasing, price wars are breaking out, etc. However, in our opinion, the most important thing for companies is the choice of competition methods that allow finding ways to solve market problems with the least losses. It has been analyzed that in this direction companies have a certain choice of a strategic nature - the use of various forms of alliances. Considering the factors of strategic choice between cooperation, creation of own production and merger or acquisition, one cannot fail to note that the "do-it-yourself" strategy in the conditions of intense competition in a number of positions is unprofitable (high expenditure of resources and time). Hence the growing popularity of contracts for the use of cooperation opportunities. The practice of economic activity on the market has revealed a number of directions for the formation of intercompany cooperation agreements: cooperation in the course of scientific research and research and development works; contractual cooperation; cooperation in the organization of joint production; international agreements on the sharing of production programs; creation of joint ventures; cooperation in creating sales.*

*У статті проаналізовано, що формування економіки на рівні регіонів як принципово нової системи соціо-економічного устрою обумовлено особливою роллю знань в сучасному цивілізаційному розвитку. Розвиток*

регіональної економіки знань, обумовлено дією ряду факторів: людським, що визначає соціально-економічні відносини; технологічним, який інтенсивно розвивається під впливом науки; інформаційним, що генерує, перерозподіляє та накопичує нові знання. Для країн, в яких спостерігається обмеженість власних природних ресурсів, єдиним раціональним вирішенням цієї проблеми є розробка більш ефективних методів використання наявного потенціалу компаній. Визначено, що загострення конкуренції змушує компанії шукати шляхи зниження витрат виробництва та збуту товарів на шляхах кооперації. Кожна компанія проводить порівняння – що їй вигідніше, а саме – виготовляти будь-які компоненти та товари самостійно, або купувати їх у підприємств, із якими встановлюються міцні ділові зв'язки. Пошук нижчих витрат угод полягає в прагненні знизити вартість транзакцій. Доведено, що в умовах глобальної конкуренції стратегія міжнародного міжфірмового співробітництва не витісняє інші стратегії зростання, а розвивається паралельно із нею. Як і раніше, швидко зростає кількість зіткнень компаній на їх цікавлять ринках, що розв'язуються війни цін і т. д. Однак, на нашу думку, для фірм головне - вибір методів конкуренції, що дозволяють знайти способи вирішення ринкових проблем із найменшими втратами. Проаналізовано, що у цьому напрямі компанії мають певний вибір стратегічного характеру – використання різних форм альянсів. Розглядаючи фактори стратегічного вибору між кооперацією, створенням власного виробництва та злиттям чи поглинанням не можна не відзначити, що стратегія "зроби сам" в умовах гострої конкуренції по ряду позицій невігідна (великі витрати ресурсів та часу). Звідси – зростаюча популярність контрактів використання можливостей кооперації. Практика економічної діяльності на ринку виявила цілий ряд напрямів формування міжфірмових договорів про співробітництво: кооперування в ході проведення науково-дослідних та дослідно-конструкторських робіт; підрядне кооперування; кооперування при організації спільного виробництва; міжнародні угоди про поділ виробничих програм; створення спільних підприємств; кооперування у створенні збуту.

**Keywords:** *companies, competition, transformation, economy, international economy.*

**Ключові слова:** *компанії, конкуренція, трансформація, економіка, міжнародна економіка.*

**Formulation of the problem.** Modern problems of the economic development of the regions of Ukraine are connected with the formation of a new paradigm of scientific and technical development. The components of the new economy are innovations, the growth of the social orientation of the technologies being created, the general nature of the availability and use of knowledge, technologies, innovative products and services. That is, the long-term competitiveness of the regional economy is ensured by the transition to the "knowledge economy", the priorities of which are the development and spread of information technologies, as well as the development and wide implementation of innovations and investments in the formation of human capital. Building a knowledge economy in Ukraine is determined by the main way of increasing the competitiveness of both individual regions and countries, ensuring a new quality of life for the population. The ability of the region to produce knowledge, in particular scientific knowledge, to implement it and effectively use it to achieve effective socio-economic development are now the main factors that ensure the positive dynamics of the economic development of the regions along with traditional sources - investments and human labor.

Increasing competition is forcing companies to look for ways to reduce costs of production and sale of goods on the paths of cooperation. Each the company makes comparisons - what is more profitable for it, namely - to manufacture any components and goods yourself, or purchase them from companies with which strong business ties are established. Search lower transaction costs is based on the desire to reduce the cost of transactions. In a global competition strategy of international inter-firm cooperation is not displaces other growth strategies, but develops in parallel with them. The number of collisions of companies on the areas of interest to them is still growing rapidly, markets, price wars are unleashed, etc. However, for firms, the main thing is the choice of methods of competition, allowing to find ways solving market problems with the least losses.

**Analysis of recent research and publications.** The most important aspects of the development of companies in Ukraine are analyzed in the works of national

and foreign scientists, such as L. Antonyuk, Y. Baskakova, B. Biloshapka, O. Bulatova, O. Butnik-Siverskyi, M. Gazizova, V. Geits, I. Gladunyak, L. Honyukova, O. Grishnova, V. Goshovsky, V. Gurievskaya, L. Danylenko, L. Edingera, K. Zhilenko, I. Kaleniuk, A. Kolota, K. Krutiy, O. Kuklina, N. Larinoi, V. LeVina, E. Libanova, O. Lukasheva, D. Lukyanenko, M. Orliv, T. Orekhova, E. Panchenko, L. Pashko, M. Pirena, P. Senge, S. Sidenko, R. Storozheva, I. Surai, T. Fedoriva, S. Filonovych, A. Chuhn, O. Shvydanenko, T. Kochubey, R. Crutchfield, V. Kremen, D. Krecha, T. Kuchmarski, S. Kuchmarski, and many others. Still a lot of questions concerning the features of the development of companies in Ukraine under the conditions of system transformation of the economy remain unsolved.

**The aim of the article.** The aim of the article is to analyze the features of the development of companies in Ukraine under conditions of system transformation of the economy.

**Materials and methods.** The method of analysis and synthesis, the method of synthesis, description and dialectics were used to write the article. The research information base is scientific publications and statistical materials concerning the development of companies in Ukraine.

**The research results.** The formation of the economy at the regional level as a fundamentally new system of socio-economic organization is due to the special role of knowledge in modern civilizational development. The development of the regional knowledge economy is determined by the action of a number of factors: human, which determines socio-economic relations; technological, which is intensively developing under the influence of science; information that generates, redistributes and accumulates new knowledge. For countries that have limited natural resources, the only rational solution to this problem is the development of more effective methods of using the existing potential. This potential can include intellectual capital, which will later be a source of economic development of society. One of the most effective methods of using human capital is the economy based on knowledge. Undoubtedly, Ukraine belongs to countries with limited

access to resources. However, the difference between Ukraine and other "semi-periphery" countries lies in the development of a large materialized resource potential during the years of existence as part of the USSR. At the same time, it is appropriate to note that the Soviet Union, together with the USA, Germany and Japan, was a leading country in the formation of the third technological order [1].

The imperial nature of the state, revolutions, and world wars led to the fact that already at the fourth technological stage, the USSR's backwardness became noticeable, and by the time of the transition to the sixth, it was catastrophic. In the prerequisites for the formation of the "knowledge economy", Ukraine possessed potential and opportunities that were significantly superior to other union republics. At its disposal was a centuries-old tradition of education and scientific activity, creative business ethics rooted in the mentality and national psychology, a developed system of education and scientific research, a powerful potential of science-intensive (according to the criteria of the second half of the last century) production. Missiles, airplanes, antibiotics, and computers were developed in Ukraine. But the reforms of the last years of the existence of the USSR and the first decades of independence, instead of leading to the strengthening of the economy against the background of the necessary political and social reforms, the restoration of one's own independent statehood, led, in many respects, to the opposite consequences.

The contradictory logic of the formation of the knowledge economy in Ukraine in the post-Soviet period is associated with a long period of decline as a result of ineffective liberal market reforms and an uneven movement in the mode of catch-up development in relation to the leading economies of the world. Therefore, the Ukrainian economy is going through the post-industrial and informational stages, characteristic of developed countries, at an accelerated pace, which complicates the adaptation of the institutions of the knowledge economy and reduces their effectiveness.

At the beginning of the 21st century, it is possible to affirm that the formation of Ukrainian corporations can become one of the strategic priorities of

the state policy, as for the mindfulness of the creation of an important state-of-the-art environment, we will accept the promotion of the competitiveness of the economy and for the pleasure of the exclusive opportunities of national corporations, let me allow the singing world to protect national economic interests, accepting the distant development of Ukrainian government structures, internationalization of their production and capital, integration of Ukraine into the world economy, participation in global transformation processes [2].

The beginning of the process of transnationalization of modern Ukrainian business can be started until the end of the 80s, and then after the adoption of the Decree for the sake of the ministers of the SRSR in the chest in 1988 hundreds of sovereign, cooperative and other public enterprises, associations, organizations”, 1 April 1989 presented the right of independent exit to the international market and management of new operational and commercial activities to all businesses and organizations [3]. As a result, the main focus of the state-of-the-art economic complex of the SRSR was entrepreneurship. In the Radian period, at the borders of socialist sympathy, the system was divided up and down the line of practice and international cooperation. The internationalization of the government activity of the companies was carried out on the state enterprises with similar subjects of the state government in the system of foreign economic activity.

In the Soviet Socialist Republic, the great state enterprises acted more in the role of vertically integrated rich-national institutions, maintaining greater control over the supply chain through the entire network of enterprises of the “democratic union” powers. However, the whole system was destroyed in connection with the collapse of the Soviet Socialist Republic, which rushed into the bag a lot of supplies and liquidated the real blue of cooperation between the subjects of the state. As a result of one of the first days, the companies of the independent sovereign state of Ukraine stumbled over the beginning of the transitional period, it became a renewal of supplies and searches for new markets. no hassle. On the appearance and nature of the activity of corporations on the market of Ukraine, we are pouring in front of the volume domestic market; the structure of the “free”

work force is adequate (the region has its own resources, both qualified personnel, and cheap work force, necessary for the organization of mass production; traditionally tight economic links and the lands of the SND) [4].

At the beginning of the 21st century, the formation of Ukrainian corporations can become one of the strategic priorities of the state policy, as for the creation of an important foreign capital, it will accept the development of the competitiveness of the economy and for the development of exclusive opportunities for corporations in the singing world to accept the defense of national economic interests, the further development of Ukrainian state structures, the internationalization of their developments and capital, integration of Ukraine into the world economy, and participation in global transformation processes.

In this way, the need for the formation and development of corporations in Ukraine in the period starting from the end of the twentieth century, is motivated by such trends: c; liberalization of sovereign regulation of the state's economic activity; strengthening the injection of scientific and technical progress in the economic process, the result of any restructuring of the domestic economy; internationalization of new developments and active transfer of know-how, licenses, scientific research; short life cycle of rich goods with a one-hour growth could slow down to novelty, quality, design, packaging and other parameters of products; the strengthening of the trend to the development of the minds of the style of living in Ukraine is equal to other lands; increased competition in the rich segments of the domestic market of industrial products, cream with imported goods.

At the beginning of the 2020s, the first steps are already being made, directing to the transnationalization of the Ukrainian business: the transition to international financial standards has been made, some are bought in foreign companies, which should be done vertically integrated structures that lead to international competitiveness.

The activities of corporations are controlled by the power, so are the foundations of international interests. The Interstate Economic Committee of the

CIS countries, having drafted the Convention on Transnational Corporations in the CIS countries, was signed in Bishkek 1998 by the ceremonies of the seven regions of the CIS (Armenia, Belarus, Kyrgyzstan, Moldova). The aim-acceptance of the formation of transnational drug structures in the lands of the SND, the development of an active industrial policy, and the receipt of investments. Signed in 1994, the main basic legal document is important. Pleasure for cooperation with the creation and development of commercial, commercial, credit and financial, insurance and health transnational unions. The legal framework for the regulation of investment processes in Ukraine is formed by the Law of Ukraine "On Industrial and Financial Groups", the Law of Ukraine "On Government Partnerships", the Law of Ukraine "On Industrial Economic Activity", the Law of Ukraine "On Investment activity", Law of Ukraine "On foreign investments"[5].

Scope of the year as the main form of expanding the activities of the corporation abroad  $\epsilon$  direct foreign investments, it is necessary to identify and analyze the interrelationships of FII in the economy of the country in general and in specific fields with success (attractive) functioning. Based on the results of the analysis, it is necessary to accurately evaluate the effect of the presence of TNCs in the economy of the country of re-buying, to live in new ways to strengthen the positive and minimize the negative aspects of the inflow of TNCs to the country and the development of the economy of reception other countries for the protection of the interests of the transnational corporation

The most important problem at the final stage - the creation of such a situation, in such a transnational corporation became a tool for realizing the interests of the region based in the worldly state and made positive changes in the functioning of the mother of the economy. In this way, it is necessary to minimize the imitation of the phenomenon of "English sickness", as a result of which the blame for the sharp deterioration between the active growth of the market and the development of transnational corporations and the decline in the country's economic base bath [6].

It is necessary to expand the system of state entrances in order to prevent the activity of transnational corporations only in the interim of the implementation of the corporate interest (which, in fact, helps to maximize profits), directed to the vindication of partnerships in the region and transnational corporations. The very same aspect is emphasized in the Ukrainian legislation in respect of the process of creation of financial and industrial groups. In general, without successful pursuance of corporate and state interests in the process of creation of transnational corporations in the Ukrainian economy, without the transformation of TNCs (if only often) action in the transnational can not be completed.

It is assumed that the formation of business corporations and their further foreign expansion in the minds of the globalization of the economy of the building has become the main driving force, which allows the country to take a leading position in current international economic funds. The priority of economic interests of corporations can be seen as the stage of integration of the national economic system into the global one.

In this way, on the basis of a schematic appearance, it is possible to create *vysnovki* about those that the harmonization of the economic interests of corporations and the national economy of the recipient country is guilty of accepting us ahead of the development of the economic system in the minds of the global alizatsii, scho based on the formation of a positive transgression of the economic interest of the global economy in the national participation corporations. To allow the national economy to win in its own interests, to benefit from globalization, to position national priorities in the global economy, to more clearly define national competitive advantages, to predict and economic growth and prospects for the development of the national economy with the improvement of mutual relations between national subjects and transnational corporations on the basis of transgression of economic interests [7].

The adoption of the generation of knowledge resources in Ukraine is considered to be the main way to promote competitiveness both in other regions and in the country as a whole. With every building in the region, the development

of knowledge, mainly - science, and their ability to effectively win for the achievement of an effective socio-economic development are becoming the main factors at once, which ensure the positive dynamics of the economic development of the regions order with traditional sources - investments and human practice. Ukraine is not to blame, because from the point of view of the analysis of rethinking the formation of the economy, knowledge in Ukraine can be confirmed that the current state of the economy is in a new yoke camp, as it is shown by the change of minds foot: in the promotion of new, high level technologies in manufacturing, expansion of informational space, mobility of capital, promotion of the role of creativity, creative practice, and growth of the role of theoretical knowledge.

In the minds of the development of a modern competitive economy, based on knowledge, innovation is the basis of economic development. A stable economic growth and improvement of life can be achieved only for the increase in the productivity of labor in the promotion of new more high-quality products and services that successfully compete on the world market.

At the current stage, the growing inefficiency of the formed economic model, and the inadequacy of the global trends that face our country, imply the development of a new paradigm and the development of the national economy. Only the formation of a new economy, diversified and innovative, will enable us to ensure the competitiveness of Ukraine in the world market.

It can be confirmed that at the beginning of the 21st century, the development of a knowledgeable resource of the national economy of Ukraine may have a large number of changes. Ukraine moved up 5 positions and loans 54 gatherings. Our country has stooped between Slovak and Peru. Among the post-traditional countries, Lithuania (29), Kazakhstan (34) and Estonia (35) ranked among the most ranked countries. In general rating 63 countries. The first gathering of 2022 is the year of the posting of Singapore, which has replaced the top of the US rating (this country is now in the third place). On the other side is Hong Kong. The advancement of Singapore to the first meeting was inspired by a

developed technological infrastructure, a highly qualified workforce, friendly immigration laws and effective ways of creating new businesses. Hong Kong has occupied another place for a good tax and business policy and business access to finance. The competitiveness of the largest economy in the world - the United States - suffered from the increase in prices for firewood, weak high-tech exports and the exchange rate of the dollar. The remaining match in the competitiveness rating is occupied by Venezuela. Laying back respect for high inflation in the country, poor access to credit and a weak economy [8].

**Conclusions.** Global technical-technological and socio-economic changes that occur as a result of the acceleration of the pace of scientific and technical progress, the activation of innovative processes, require the development of a new philosophy of national revival, new approaches to the socio-economic development of the country's regions. The main problem of innovative development of Ukraine, despite the presence of significant intellectual and resource potential, is the lack of a mechanism that could combine existing resources and concentrate them in the most promising directions for the Ukrainian economy. In this regard, it is expedient to study and use international experience, in particular the cluster approach, which has become widely used in developed countries. It is necessary to develop a new philosophy of national revival, to create new approaches to the socio-economic development of the country's regions, to combine existing resources and concentrate them in the most promising directions for the Ukrainian economy. Science must function fully, i.e. fulfill all its functions: socio-cultural, cognitive, economic. The mechanism of acceleration of innovative activity consists in expanding the influence of the most competitive firms on all their immediate surroundings: suppliers, consumers and competitors. In turn, the success of the company's environment has a positive effect on further increasing the competitiveness of such companies. An important stimulus for the activation of innovative activity is the close interaction of academic science and the sphere of production. To solve this problem, as is known, technoparks are being created. The creation of innovation clusters can significantly accelerate the innovation process

and increase the efficiency of economic activity. Joint efforts of business circles, creative people and representatives of local authorities can create an overall innovative product.

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