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ENTERPRISE COMPETITIVENESS: THEORETICAL ASPECTS

Finding the ways to increase the competitiveness of enterprises is of particular relevance with the recent market trends. For more effective search of solutions to increase the competitiveness, first of all, it is important to give an adequate definition of it. Enterprise competitiveness was investigated by many scientists, starting with the works of A. Smith, D.Rikardo, J.C. Mill, K.Marx, J.Schumpeter and finishing with works of their followers. Today this issue is considered by many native and foreign scientists such as I.M. Akimov, I.V. Bulakh, A.E. Voronkov, V. Oberemchuk, M. Porter, V. Stivenson. Among the the factors forming the competitiveness of enterprises are volume, quality, composition, use of its potential, particularly resource potential. This includes efficient use of limited enterprise resources, that require optimization of their use.

The main objectives of this study are analysing theoretical approaches to the definition of competitiveness and presenting our own definition of this concept; identifying factors that influence the competitiveness of enterprises; researching resource potential importance in the formation of enterprise competitiveness.

The interpretation of the term "competitiveness" is quite varied. According to the classic definition of M. Porter, "competitiveness is a producer's position at domestic and international markets defined by the set of factors and indicators."

T.B. Kharchenko defines enterprise competitiveness as a position of a country or producer at domestic and foreign markets. This position depends on economic, social and political factors.

L.V. Balabanova states, that competitiveness of the enterprise is a level of its competence compared to other competitors. The parameters for comparison are technology, practical skills and personnel proficiency, and level of strategic and current planning, policy sales, control level, communication, quality of management systems, production and so on.

Other scientists consider competitiveness as a comprehensive concept that includes aspects such as the ability of the company to sell competitive products; ability to develop a strategy that ensures a high level of competitiveness; highly qualified organizational and managerial mechanism that can perform the task; orientation of the company to market and cooperation with customers; competitive strategy and tactics in relation to competitors; trained personnel; ability to respond to changes in the environment. [1, p. 57].

Considering all of the definitions and systematizing them and taking into account the translation of the foreign word "competition" (from Latin concurrentia – competition) we offer the following general definition of enterprise competitiveness.

Competitiveness is a feature of an object, characterized by the degree of its actual or potential ability to satisfy specific needs compared to similar objects, operating at the market. [2, p. 119]. However, enterprise competitiveness is a complex comparative characteristic which should reflect the level of advantages of the company over competitors.

Analysis of enterprise competitiveness at the market allows to find out factors affecting the buyers' attitude to the company and its products and as a result – change of the market share of the company. All factors of competitiveness can be divided into external and internal.

The external factors include:

- political situation in the country;
- economic relations;
- competitors;
- concentration of production;
- law base.

The internal factors include:

- innovative nature of production;
- systems and methods of managing a company;
- marketing concept orientation.

Considering the external and internal factors we can observe the effect a particular factor has on the formation and increase of the enterprise competitiveness.

External factors include competitive environment (the market, suppliers, consumers, competitors) and the state, i.e. all government entities, bodies, the company directly or indirectly interacts with. [3, p.186].

Internal factors are represented by the resource potential of the company, which is at the center of our present study.

Businesses pay much attention to analysis of their strengths and weaknesses for evaluation of real possibilities in the competition and development of activities and funds that would increase the company's competitiveness and ensure its success. The market research uses quantitative indicators for competitiveness assessment. [4, p. 189]. The indicators prove the degree of the company stability, the ability to produce a great volume of goods in demand, and, in addition, they provide firm and stable planned results.

So, having analysed various theoretical approaches to the concept of "competitiveness" we suggested our own generalized definition.

The presented scheme of formation of enterprise competitiveness enables us to visually observe the interaction of external and internal factors that influence this process; to single out weak components, to develop recommendations for their improvement. The prospect of further research is the development of the method for assessing the impact of these factors on the formation of enterprise competitiveness and determination of the resource potential role in this process.

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