## MECHANISM OF BUSINESS SUBJECTS' ADAPTATION TO THE CONDITIONS OF EXTERNAL ENVIRONMENT

The external environment of domestic economic entities is characterized by a high level of turbulence and uncertainty, which necessitates an appropriate response of enterprises to the influence of external factors. Complication and high dynamism of factors of both global and national nature determine the feasibility of improvement of the enterprise's management system in terms of ensuring its competitiveness and sustainability. At the same time, one of the determining factors of the company's competitiveness is its ability to adapt to the external environment.

The adaptation processes are implemented through the appropriate mechanism, which is characterized with its own structure, peculiarities, and components. To perform a system approach to the study of the adaptation mechanism, we believe it is necessary to define the essence of the fundamental concept itself, i.e. adaptation. In the context of the research, the study of the scientific literature was performed, that made it possible to define three main approaches to the definition of the adaptation essence.

Thus, the system approach is based on the definition of adaptation as a system property or system transformation. The process approach is common in the theory of adaptation. Proponents of the process approach characterize adaptation not as a property of the system, but as a specific process that occurs during the functioning of the enterprise. Researchers who define adaptation from the standpoint of the target approach usually conduct research in related fields and consider adaptation as a tool to achieve a certain goal (e.g. economic security, strategic stability, etc.).

Summarizing the considered approaches to the interpretation of the adaptation essence, we propose our own definition of the studied concept. In our opinion, adaptation is a process of adjustment of the enterprise to external unstable conditions, which involves changes in the structure of the enterprise, the system of general and functional management of the organization and ensures the sustainability and development of socio-economic system in the long run.

An applied means of implementing the adaptation model is the adaptation mechanism. In a broad sense, the term "mechanism" is the internal structure of any system that drives it. The mechanism from the point of view of the economy is a specific set of components, characteristics and processes that have a certain logic of operating, are interconnected, determine the order of a particular activity. Thus, the mechanism of adaptation, in our opinion, should be understood as a holistic and comprehensive system of means, methods, tools, and management models that provide and coordinate the processes of interaction of the enterprise with the external unstable environment. It should be noted that to date, the theory of adaptation has not yet formed a system approach to the formation of the adaptation mechanism. Therefore, we consider it appropriate to define the main elements that, in our opinion, are part of the structure of the adaptation mechanism.

Objects, subjects, subject, and tasks are important components of the adaptation mechanism. Thus, we believe that the aggregate object of adaptation is the process of operation of the enterprise in an unstable external environment, respectively, individual subsystems and strategic units of the business entity can be individual objects. The subject of adaptation are predictable and real fluctuations of the external environment, the nature of their impact on the enterprise, i.e. all manifestations of the aggravation of contradictions that arise due to non-compliance of the internal environment of the enterprise with the external environment.

The subjects of adaptation processes can be presented as following: the owner (owners) of the enterprise, which independently organizes and coordinates the adaptive processes of the organization without the involvement of specialists; managers of different levels, who participate in the organization and implementation of adaptive measures at various levels of the enterprise; employees of planning, economic and strategic (if any) departments, who are directly involved in the development and implementation of adaptation processes of the enterprise; staff – employees involved in the process of adaptation to a certain degree; state and departmental bodies, consulting companies, etc.

The main purpose of adaptation, in our opinion, is to ensure the survival, efficient functioning and development of the enterprise under conditions of external changing environment, the achievement of strategic stability of the business entity. The main tasks are: firstly, to ensure the strategic and tactical response of the enterprise to the bifurcation of the environment, and secondly, to reduce the time and increase the efficiency of such a response.

The next, no less important, element of the adaptation mechanism is the system of its support. The support system includes the following components: legal, regulatory, personnel, information. The legal subsystem characterizes the legislative regulation of adaptation processes, normative – internal regulation of the mechanism. Personnel support determines the quantitative and qualitative composition, qualifications, etc. of the subjects of adaptation. Each of these subsystems is an important component of the adaptation mechanism, but the most important, in our opinion, is the information subsystem. The basis of information support of the business entity adaptation process is the main purpose of adaptation, which determines the quantity and quality of the necessary information, the sources of its collection.

In the process of implementing adaptation measures, the organization can form certain patterns of behavior (management models). The main management models in the process of adaptation are active, mixed, and conservative.

Active management model assumes that the organization is ready for adaptation, the pace of its processes is quite high. Adaptation is systemic in nature, i.e. covers all subsystems of the enterprise. The company has developed models and principles of adaptation.

Conservative management model characterizes a passive enterprise with an inertial nature of behavior. The organization does not take any active steps, problems in the activity are solved based on traditions or are ignored. The pace of adaptation

is low, there are no developed principles and models. Adaptation is local in nature, i.e. most often carried out within individual units.

Mixed management model can be described as the following: the choice of adaptation characteristics depends on the intensity and nature of the influences of environmental factors. The pace is lower than in active model. The company has general principles for the implementation of adaptation measures, but the model of adaptation of the business entity has not been developed.

The formation and implementation of the adaptation mechanism must meet certain requirements and should be carried out in accordance with scientifically and practically sound principles. We believe that the main principles governing the functioning of the adaptation mechanism are as follows: system and comprehensiveness; effectiveness; efficiency and optimality; flexibility; purposefulness and strategic orientation; variability; hierarchy; controllability and responsibility; the principle of the main link; comprehensive development and self-organization. Of course, the above list of principles is not exhaustive, however, in our opinion, the implementation of these principles, first, provides an opportunity to draw conclusions about the proper organization of the adaptation mechanism.

The practical implementation of the tasks of the adaptation mechanism is carried out by its functions. Adaptation functions can be represented in two main groups: system-wide and specific. The system-wide management functions include their traditional manifestations in the process of enterprise management in general and in the process of adaptation in particular, namely: planning, organization, motivation, coordination, and control.

Specific functions can be presented as the follows:

- organizational - providing adaptation processes with the necessary resources;

- forecasting - the formation of the enterprise management's vision of the future state of the environment, its individual factors;

- preventive - provides an opportunity based on the formed forecasts to avoid or reduce the negative impact of environmental factors;

- compensatory - considers the possibility of compensation for losses as a result of the negative effects of factors due to other activities of the enterprise;

- coordination - a rational combination of resources in the process of adaptation;

- stimulating - motivation of the subjects of adaptation in the process of its implementation;

- control - involves the comparison of targets with indicators achieved;

- informational – providing the management of the enterprise with the necessary information.

At the same time, the following functions are also important in our opinion in the context of modern operating conditions:

- practical and effective - provides development and implementation of specific measures, programs and strategies for adaptation of the enterprise to environmental conditions, increasing its adaptability;

- stabilization - is to smooth out unstable situations, leveling the negative impact of environmental factors due to increasing levels of environmental turbulence;

- optimization - aimed at minimizing losses and risks of the enterprise due to fluctuations in environmental factors, as well as at ensuring the rational and efficient use of available resources in the process of implementing the mechanism of adaptation of the business entity.

Specific means of achieving the goals and objectives of adaptation are its tools. In our opinion, the main tools of adaptation under modern conditions are the model of management "on weak signals", modernization, restructuring, diversification, and reengineering, each of these has its own characteristics, advantages, and disadvantages.

Therefore, we can conclude that the adaptation mechanism is a complex system of structural elements, the effective functioning of which is complicated without taking into account each of the components. Determining the structure of the mechanism is an important prerequisite for ensuring its improvement and implementation in practice of business entities to ensure adaptation to environmental conditions.