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Обліково-аналітичні аспекти забезпечення сталого розвитку національної економіки

Учетно-аналитические аспекты обеспечения устойчивого развития национальной экономики

Accounting and analytical aspects of ensuring sustainable development of national economy

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STRATEGY FORMATION: THE ROLE IN ENSURING ECONOMIC SECURITY

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The assurance of economic security in a competitive environment is of great importance. To form the competitive advantages of a company, it is necessary to use the available resource potential rationally. The number of threats to economic security is growing in modern conditions. They are determined by external and internal factors. The level of economic security depends on the efficiency of strategic management system. Strategy making is one of the tools to ensure economic security and growth of stability to threats.

The process of strategy formation is investigated and described in the scientific works of classics of strategic planning and management: R. Ackoff, K. Andrews, H. Ansoff, A. Chandler, P. Drucker, H. Mintzberg, G. Steiner, J. Miner, M. Porter, A. Strickland, A. Thompson and others. The issue of strategy making is in the focus of scientists today. It is investigated by such researches as E. Bowman, J. Baylis, C. Gray, M. Daniell, J. Ferreira, R. Jonas, E. Mainardes, F. Nickols, M. Raposo, P. Wright and many others.

The aim of this research is to define the role of strategy formation in ensuring economic security.

The word ‘strategy’ is derived from the Ancient Greek ‘*strategia*’ or ‘*strategike*’ [1] and was used, “sometimes meaning ruse, sometimes the ‘art of generalship’, especially in the definition of the East Romans (Byzantines)” [1]. There are many points of view on the essence of the term “strategy” among scientists (table 1).

Table 1 - Some approaches to the definition of the category “strategy”

Definition of the term “strategy”	Author(s)
“Strategy is a set of competitive changes and business approaches that managers perform to achieve the best performance of the company. It is the managerial plan to enhance the organization’s position in the market, boost customer satisfaction and achieve performance targets” [2]	Arthur A. Thompson, Alonzo J. Strickland, 1995
“Competitive strategy is about being different. It means deliberately choosing a different set of activities to deliver a unique mix of value”; “Strategy is creating fit among a company’s activities”; “At general management’s core is strategy: defining a company’s position, making trade-offs, and forging fit among activities” [3]	Michael Porter, 1996
“Strategy isn’t the mission – it’s the plan that allows the company to accomplish the mission”; “Strategy may be defined as a plan, method, or series of actions for obtaining a specific goal or intended result” [4]	Robert Jonas, 2000
“Strategy is the art and science of informed action to achieve a specific vision, an overarching objective, or a higher purpose for a business enterprise” [5]	Mark Daniell, 2006
“Strategy is the directions and scope of an organization over the long term, which achieves advantage in a changing environment through its configuration of resources and competences with the aim of fulfilling stakeholder expectations” [6]	Gerry Johnson, Kevan Scholes, Richard Whittington, 2008
“Strategy is a course of action for achieving an organization’s purpose” [7]	Bob De Wit, Ron Meyer, 2010
“Strategy is a term that refers to a complex web of thoughts, ideas, insights, experiences, goals, expertise, memories, perceptions, and expectations that provides general guidance for specific actions in pursuit of particular ends. Strategy is at once the course we chart, the journey we imagine and, at the same time, it is the course we steer, the trip we actually make” [8]	Fred Nickols, 2012

The main features of the strategy and its formation are:

- strategy is a carefully designed plan of future actions aimed at achieving the targeted results;
- strategy is associated with a risk due to the dynamic changes of the external environment;
- strategy formation include resource allocation;
- strategy formation is preceded by the scanning of external and internal environment of a company;
- strategy formation refers to the choice of priority directions of functioning for a long-term period.

Creating strategic action plan aimed to the achievement of the goals, conducting constant monitoring of performance, evaluating results and making adjustments are considered to be the key to efficient business activity under conditions of modern challenges. High level of business risk determines the necessity of formation of a strategy as a long-term action plan for the growth of economic potential and providing competitiveness and sustainable development in future [9].

The key advantages of strategy formation are:

- definition of specific actions aimed to achieve the goals;
- recourse allocation and rational consumption of available resources;
- coordination of company`s activity and work of different departments;
- planning the future directions of company's development with taking into account current position and forecasted factors in end-to-end performance;
- identification of bottlenecks and search for efficiency enhancement potential;
- estimation of the strategic potential of the company;
- motivation to gain the key indicators;
- market research, estimation and prediction of market position;
- definition of target clients and sales channels;
- business risk assessment and growth of stability;
- growth of the efficiency and adaptability to economic security threats;
- formation of uniqueness.

Strategy is a complex of future actions, which are defined based on the choice of alternative, with taking into account the available resources, and the implementation of which will ensure the achievement of the company`s goals. Strategy formation plays an important role in the assurance of economic security of a company, because it is difficult to struggle with threats to financial, social, intellectual, ecological, technical security without the planned actions and forecasting.

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