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DIAGNOSTICS OF THE EFFICIENCY OF ENTERPRISE MANAGEMENT

At the current stage of market relations development in Ukraine, the issue of regulating the development of enterprises requires new approaches to its solution. Non-interference of the state into the economic activity of enterprises motivates them to seek out the ways of survival under the market economic conditions, find the ways to update management mechanisms and thus ensure the growth of the economic potential and competitiveness. In connection with this, there is a need for a new, scientifically grounded approach to improve the mechanism of enterprise management and methods for diagnosing the effectiveness of this management, taking into account their internal features and the dynamics of the external environment [1].

Thus scientific substantiation of modern innovative methods of diagnosing the efficiency of enterprise management is an urgent problem which requires immediate solution.

In the development of the adaptive management model for socio-economic efficiency of enterprises, in our opinion, it is advisable to use a matrix method with the calculation of a generalized efficiency indicator.

Any enterprise, regardless its size, a sphere of activity, profitability or loss-making business, is a complex economic system. Therefore, the efficiency of production is a complex concept too. Its assessment in terms of the individual indicators will always be incomplete and one-sided. For example, in case of high level of labor productivity, an enterprise may be low-profitable or even loss-making for one reason or another. Being highly profitable, it may still have poor balance structure.

In view of this, it is necessary to conduct the assessment and analysis using not the individual indicators but the system of indicators (or the «matrix of indicators» as suggested in this study). Such an approach will, on the one hand, promote control over the implementation of the plan and, on the other hand, it will serve the basis for making management decisions.

The matrix model of analysis will allow to evaluate the decisions made in the past and to substantiate the decisions made on the basis of interconnections and dependencies of different indicators.

With the help of the matrix method, it is possible not only to characterize the state of the enterprise and the dynamics of its development in general but also to determine the changes in the results of work and to identify the reserves for improving the efficiency of its activities.

The study has revealed that the matrix of cost-benefit ratio confers an objective description of the effectiveness of the available resources utilization, the strategic income being the profits amount. The structural and logical scheme of constructing a matrix model for assessing the efficiency of enterprise management is shown in Fig. 1.

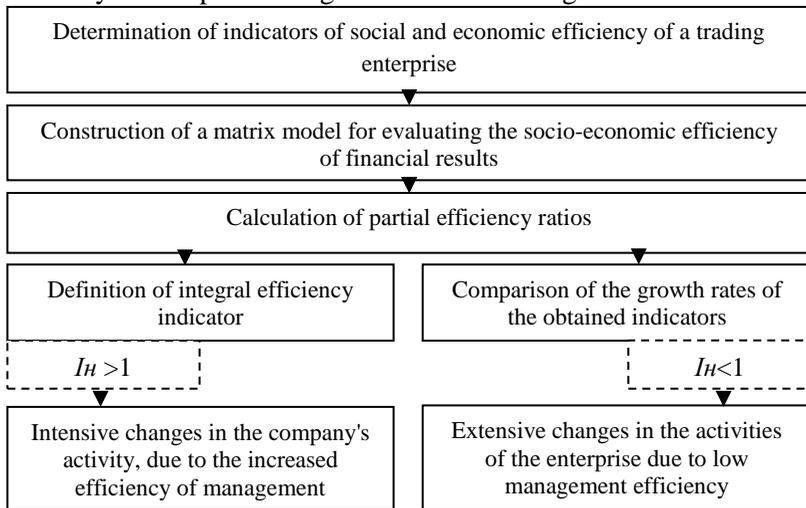


Fig. 1. The structural-logical scheme of constructing a matrix model for diagnosing the enterprise management efficiency [2]

It is recommended to conduct the selection of the key indicators for the analysis and assessment in several stages. At the first stage, it is advisable to evaluate information. As a result of this assessment, from the initial set of the indicators will be excluded the indicators, the amount of which is calculated as a quotient of the division (productivity, profitability, capital productivity, etc.). At the second stage it is necessary

to select the indicators, that reflect the main results of the enterprise activities in general, and its structural subdivisions, in particular. Similarly, it is necessary to select the indicators that reflect the resources and costs necessary for production. At the third stage, a set of indicators is adjusted taking into account the frequency of observation and the indicators available for calculation.

When compiling the list of the enterprise efficiency indicators, it is important that they reflect all aspects of the process under investigation. The assessment of the enterprise management efficiency must reflect the interconnections between its resources availability, the cost-benefit ratio in accordance with the following scheme (1):

$$\text{Resources} \rightarrow \text{Costs} \rightarrow \text{Results} \quad (1)$$

In order to carry out a comprehensive analysis it is proposed to include the following indicators into the matrix model (Fig. 2):

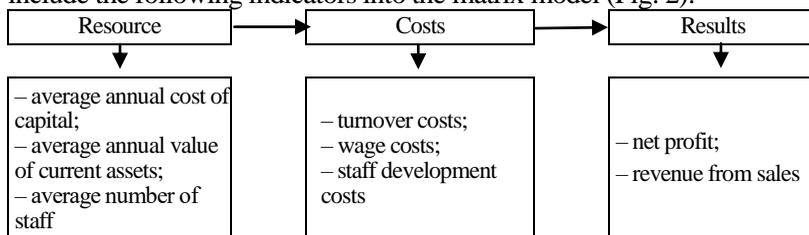


Fig. 2. Indicators of the integrated assessment of the enterprise management efficiency

We believe that the inclusion of this set of indicators in the matrix model will ensure the objectivity and completeness of the conclusions of the diagnostic system.

References:

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3. Frolova L. V. (2010) Matrychna model diahnostyky efektyvnosti upravlinnia finansovymy rezultatamy [Matrix model of diagnostics of the effectiveness of management of financial results]. *Visnyk DonNUET*, vol. 3 (47), pp. 187-195.