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**ORGANIZATIONAL STRUCTURE OF FORMING LEADERSHIP
COMPETENCES IN ENTERPRENUERSHIP**

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Abstract. *The paper defines theoretical, social and organizational prerequisites of importance of leadership competencies formation in entrepreneurship. It has been determined that entrepreneurial leadership positions are formed by: result orientation, i.e. ability to take responsibility, forecastly and consistently act according to the defined goals in order to achieve the expected business results, ability to manage available resources, taking into account the needs and priorities; analytical thinking - ability to objectively perceive, study and present information that involves its generalizing from various sources, taking into account details and trends, identifying problems, their importance and cause and effect; the basis for developing a long-term vision. To have skills in coordination and consistency; ability to manage human resources, ability to follow a consistent approach to doing business, be responsible for planning all types of resources, motivation of perfect activities. To form a model of effective communications, that is, ability to effective information exchange both horizontally and vertically, in order to achieve understanding and support on the way of achieving the goals of entrepreneurial business; ability to clearly formulate own point of view, taking into account commercial needs, under different conditions and using different forms and methods of communication. The model of development and realization of leadership competencies on the criteria basis was formed: compliance with the business goals of*

the entrepreneur; expediency for anyone involved in its use; optimality of the elements composition and no repetitions; transparent results of the leadership competency model.

Keywords: *entrepreneurship, business, leadership competencies, leadership competency model, activity motivation, criteria.*

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Introduction

Strategic changes in the international economic and political system, as well as transformational restructuring, present both great opportunities and serious threats for every entrepreneur by increasing the degree of uncertainty and the presence of risks. This situation requires more thorough justification of economic decisions regarding the priority of development of a certain type of resources, among which the entrepreneur class is a pivotal component providing flexibility and adaptability of the functioning of the country's economy in the conditions of socio-economic turbulence of both external and internal environments. It should be noted that the importance of entrepreneurship caused by the set of professional knowledge, skills of each entrepreneur, i.e. the presence of professional and personal competences. The efficiency of production depends on the professional competence of the entrepreneur, which influences the volume and growth rate of production, use of material and technical means, innovative business development, etc. A competent approach to the leadership factor in entrepreneurship is of particular importance in such circumstances, since it allows to generalize a wide range of issues of entrepreneurial activity adaptation to external conditions, taking into account the personality of the entrepreneur and his leadership in business.

Literature Review

Scientific controversy in the field of entrepreneurship demonstrates that one of the modern areas of research is the problem of approaching to the definition and assessment of entrepreneurial leadership competencies. Scientific papers are devoted to finding ways to solve this problem (Amabile et al. 2004; De Vries, 2001). In their papers such scholars (Blackburn and Kovalainen, 2009) define the term of the concept in entrepreneurship as a system of theoretical and methodological views on the understanding and definition of the essence, content of goals, objectives, criteria, principles and methods of doing sustainable business achievement of commercial goals.

On the basis of research and study of the experience of specialists in the field of personnel formation and competencies in the business environment (Mumford et al. 2002), the general principles and patterns to the formation of current and especially leadership competences are distinguished. The papers (Orr et al. 2009; Zhao et al. 2010) on the theoretical analysis of competencies in entrepreneurship are deserved particular attention, which requires constant conducting and development through changing the priorities of social development, transition to higher level of technological way of the country's economy, etc. At the same time (Rowe, 1995)

propose ways of creating a system of competencies in the context of the technology of competence creation, it highlights the advantages and disadvantages of assessing the entrepreneurial leadership skills based on the competency model.

Methods

The competency model is a logical characteristic of the functions and elements of competences used in business. It reflects the standards of entrepreneur behavior, which must be followed in order to achieve the set goals in business. The leadership competency model can be used to ensure coordination and consistency of virtually all business-related processes. Thus, the leadership competency model can be defined as a basic, multifunctional and versatile tool in business. In practice, the model of leadership competencies acts as a procedure for promoting entrepreneurial business within the institute of entrepreneurship at the expense of the opportunity to compare the existing characteristics of the entrepreneur and current market requirements and business trends. In addition, the company staff receive clear idea about the requirements for the position, as well as the standards aimed at the successful and effective performance of work tasks. Increasing and use the entrepreneur's intellectual and leadership capabilities enables to respond quickly to market demands, effectively implement his development strategy, and ensure capital reproduction.

Results

The process of developing leadership competencies in entrepreneurship can be represented in two aspects:

1) The process of internal transformation of leadership competencies implies that there is a transformation of entrepreneurial leadership competencies in the competencies of the whole business. Thus, purposeful exchange of information and knowledge between the staff and the entrepreneur (business owner), which is constantly ongoing in the course of the activity, can cause the emergence of new knowledge or competence, including based on uniting knowledge and technologies can be applied to solve new tasks. In general, the problem of leadership in modern entrepreneurship can be represented in the form of a "cognitive map" shown in Fig. 1.

2) The processes of commercial activity determine the development of entrepreneurial leadership competencies, which can be expressed, including through the qualitative increase of knowledge, skills and abilities necessary to solve business tasks, based on leadership experience or his leadership training. The effective application of the leadership competency model requires to be aligned with its goals and objectives (Hurst & Pugsley, 2016). The model of leadership competencies in entrepreneurship is based on the following provisions in its content: 1) presence of a complete set of leadership competencies and relevant indicators of behavior; 2) standards of behavior / standards of action necessary to accomplish the tasks and achieve the goals in business; 3) the leadership competency model is based on the characteristics of the best performers. These characteristics are clustered according to the criterion of competence commonality.

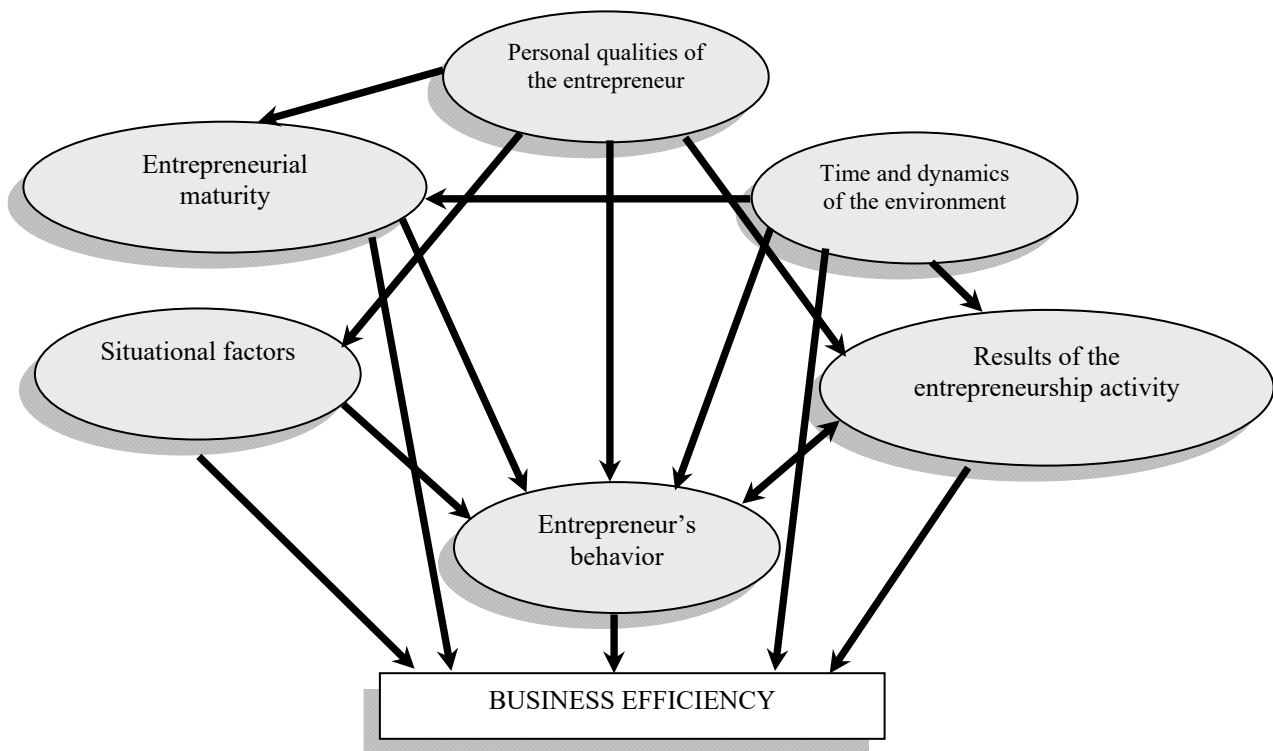


Figure 1. "Cognitive map" of entrepreneurship leadership

A competence can be presented as a set of behavioral indicators and characterized by a description of the behavior standards observed in the actions of the entrepreneur with specific competence. The leadership competency model has a simplified form using non-level leadership competencies. This type of competence covers types of work by simple behavior standards. The entrepreneurial leadership model displays a single list of indicators of all competencies related to all functions (Campion et al. 2011). The process of developing leadership competencies in entrepreneurship can be represented by a sequence of repeated cycles of new organizational knowledge, leadership skills and competencies. Each cycle brings the entrepreneur's business closer to achieving competitive advantage. The adverse effects of the external environment can lead to a "devaluation" of the currently available competences, which may cause slowdown in the competencies development and the need to repeat previous cycles. So (Bennett, 2006) suggested the stages of the development process of leadership competencies with the argumentation of the mandatory audit of leadership competencies in entrepreneurship (Table 1).

The stage of determining the level of leadership competencies involves identifying the factors determining the strategy of entrepreneurial business development, as well as the factors; based on them the list of leadership competences is formed, the current state of business is assessed.

During the search phase, the opportunities for increasing the market segment volume are revealed due to such factors as: new production opportunities, new technologies in the field of production and planning, selection of specialists with special experience and abilities necessary for the fulfillment of new tasks, development of entrepreneurial abilities.

Table 1. Stages of leadership competences development in entrepreneurship

Phase	Management tasks
Identification of the level of leadership competencies in entrepreneurship	Identification of the development level of each element of leadership competencies.
Finding leaderboards	Conducting an assessment of the entrepreneur's existing leadership competencies and diagnosing their leadership impact on hired personnel.
Development of a model and appropriate profiles of leadership competencies	Identifying new leadership competencies, analyzing new opportunities.
Development of the program of the leadership competencies development	Creation of the program of the leadership competencies development, planning of directions of perspective business development, analysis of competencies options.
Implementation of the entrepreneurial leadership development program	Assessment of the implementation success of the developed programs for the formation of leadership competencies, improvement of the program of their development.
The consolidation of the acquired competence by the entrepreneur	Creating barriers to competitors, using the developed models of leadership competencies.

The development phase involves the study of external and internal factors influencing the entrepreneurial leadership models of the entrepreneur, these factors should be taken into account in determining the strategy of development of his business. At the stage of deepening leadership competencies, the interdependence of goals and a system of indicators of their assessment by groups is revealed, ensuring their relationship with the process of entrepreneurship development, control for implementation of long-term goals, identifying prospects and developing programs of entrepreneurial business based on forecasts of leadership dynamics (AlMazrouei and Zacca, 2015).

The last stage involves creation of barriers for competitors, they prevent the copy of the unique properties of the internal environment of the entrepreneurial business. Each stage is followed by the use of specific methods selected on the basis of the content of certain leadership competencies (Dalakoura, 2010). Thus, the considered leadership competencies can be formed only under the influence of corporate and personal knowledge in the process of interaction of the individual entrepreneur and his employees based on individual abilities and experience.

Development of the leadership competency model involves applying a tiered approach to building it. The systematization of approaches of different researchers on scaling the levels of leadership competencies manifestation revealed the possibility of their assessment and description on the basis of taking into account the degree of knowledge development (Table 2).

The effect from the use of the leadership competencies model in entrepreneurship is determined depending on the level of organizational development, ability to use tools that are appropriate to the specifics of its activities and business environment. A scientifically justified model of leadership competencies in entrepreneurship can form the basis for optimizing the structure of the entrepreneurial business and affect the business model itself and market goals (Rauch et al. 2009). The main stages of developing and implementing a model of leadership competencies in entrepreneurship are presented in Figure 2.

Table 2. Scale of manifestation (development) levels of the leadership competencies in entrepreneurship

Level	Title of the name	Characteristics of the competence manifestation level
5	Skill level	The competence is maximally developed and expressed, the entrepreneur promotes their development and can train their employees
4	Development level	The competence is well developed, the entrepreneur uses it constantly, it is active in work and takes the initiative in the development of competence.
3	Application level (basic level)	The competence is sufficiently developed and actively used in typical and non-standard business situations; it can be developed independently or with appropriate entrepreneurial training.
2	Reproduction level	Competence is developed and manifested in typical work situations.
1	Level of understanding and comprehension	Competence is underdeveloped (limited level), its manifestations are not systematic; skills are little formed, additional professional training is required.

The content of the model of leadership competencies is not a guarantee of the immediate achievement of the required level of doing business quality. Effectiveness of the model depends on the quality of the model content. The end result is directly determined by business efficiency. Use of the leadership competencies model allows obtaining an adequate increase in the quality of entrepreneurial activity in two-three years, since it takes time to use the formed and developed leadership competencies.

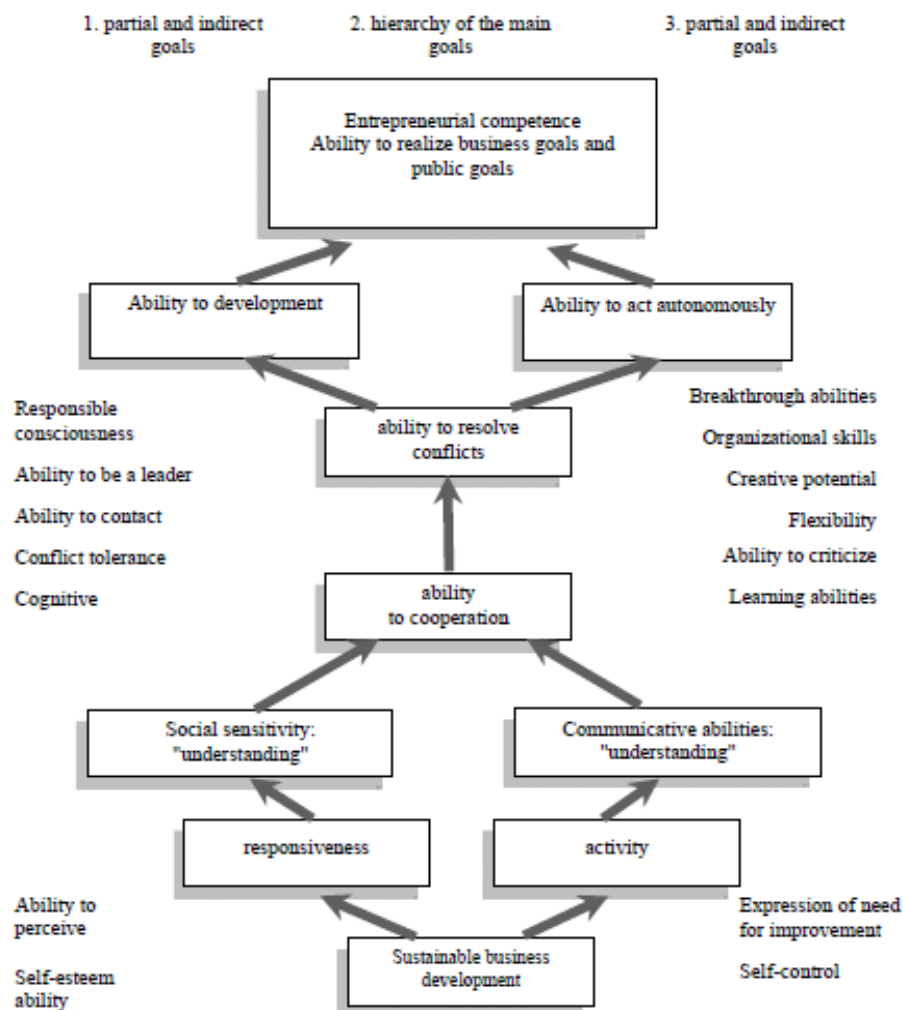


Figure 2. Stages of development and implementation of the leadership competences model in business activity

We propose to define a list of criteria for qualitative content of the leadership competencies model in entrepreneurship:

1) Compliance with the business goals of the entrepreneur. Certain leadership competencies in the model should help to achieve specific goals of the activity, not include the full set of possible competencies.

2) Expediency for everybody who takes part in its use. The leadership competency model should reflect the entrepreneur's motives and needs, and their goals should be integrated with the goals of the business.

3) Optimal elements composition and no repetition. Presence of the system of the leadership competencies assessment and possible changes. The optimal set of competencies and their measurability aimed at the convenience of using the model, objectivity of measurements and ability to effectively use the results obtained (Stewart & Roth, (2007)). The system of possible changes assessment is aimed at obtaining the desired results of the use of the leadership competencies model and provides its usefulness for the entrepreneur.

4) To have transparent results of applying the leadership competency model. A very important point in the model content is its volume. Some entrepreneurs develop such a voluminous model that its description is a multi-page description of competencies and multiple examples. Everyone is well aware that the higher the instruction, the less chance it has to be learned. This rule also applies to the description of the leadership competency model, although the application of this rule does not mean that the documentation, which reflects the main characteristics of the system, should be extremely short.

The process of event planning begins with the goal setting process of creating models of leadership competencies, that is, description of the intended outcome and the areas of its use; specification of the purpose of model development, plan development of the anticipated actions for the development of the leadership competencies model, substantiation of the consequences and results of the development, content clarification and amount of information necessary for the implementation of the plan.

Discussion

Our recommendations are formed in the context that the behavior of the entrepreneur within the competence approach is seen as manifestation of his leadership competencies. At the same time, competence means as a specific information resource containing experience, knowledge and skills about how to organize and manage resources and business processes to achieve the goals, its carrier should be the entrepreneur. The competency approach describes not so much the entrepreneur's knowledge and skills as the model of professional behavior, it establishes a direct link of the applied knowledge, skills with specific, measurable results in business or entrepreneurial activity. It leads to the understanding of the reasons for success or failure, not only indicates the ability of the entrepreneur to perform the necessary professional activities and leadership positions, but also to bear responsibility for it, to understand how the desired result is achieved.

The main task of the competent approach in entrepreneurship is to teach an entrepreneur to manage their knowledge, skills and abilities, i.e. to be able to learn and develop themselves. Another distinctive feature of the competency approach is that different characteristics are used to describe competences, that is, manifestation in the knowledge behavior, skills and qualities which can determine the competence of the entrepreneur. At the same time, they describe specific manifestations of the entrepreneur's professionalism in the realization of his ideas and the formation of the stable leadership position.

Conclusion

It is proved that leadership competencies are an integral characteristic of entrepreneurial activity, and therefore they are transferred together with the individual entrepreneur and do not depend on the type of his commercial or social activity. The competency approach in entrepreneurship describes not so much the entrepreneur's knowledge and skills as the model of professional behavior, it establishes a direct link of the applied knowledge, skills with specific, measurable results agreed to the general program of the business development.

The scientific and methodological approach to the assessment of entrepreneurial leadership competencies has been improved, which provides not only identification but also assessment of realization of the degree of leadership influence on the effectiveness of personal influence in doing business in the context of the following criteria: labor relations, work motivation, leadership influence, work efficiency, personal development of yourself and subordinates, emotional leadership. The proposed scientific and methodological approach to the assessment of entrepreneurial leadership competencies was designed in the form of a visual model of their stages of development and implementation, which allows increasing the reliability and informative content of the assessment results of existing entrepreneurial competencies of the entrepreneur.

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