

## **ENTREPRENEURSHIP ECONOMIC SECURITY UNDER CURRENT CONDITIONS**

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*Стаття отримана редакцією 06.12.2018 р.*

**Introduction.** In terms of workforce and intellectual capital migration, decrease in production, underperformance of enterprises and reduction in their profitability, contraction of GDP and national income have stipulated investigating of preconditions for providing economic security of entrepreneurial activity in Ukraine. Attention is focused on the fact, that provision of social and economic development and competitiveness of domestic economy is a condition of an enterprise security functioning. The problem of production renovation, entrepreneurial work activation, supporting strategically important fields of economy require implementing strategic priorities for providing entrepreneurial activity economic security at the state level as well as implementing active mechanism of preventing current challenges, risks and threats.

**Overview of recent researches and publications.** The issues of ensuring economic security of enterprise are presented in papers by such domestic scholars as T. Bludova, Z. Varnalii, T. Vasylytsiv, O. Vlasiuk, M. Yermoshenko, Z. Zhivko, O. Liashenko, H. Kozachenko, I. Mazur, A. Mokii, V. Munttian, H. Pasternak-Taranushenko, V. Shlemko and others. However, despite its topicality, the problem of ensuring economic security of enterprise requires improving theoretical and methodological principles as well as applied mechanisms for strengthening economic security of enterprise in Ukraine, in particular, in the field of studying the preconditions for its provision.

**The purpose of the paper** is to study theoretical and methodological principles and to analyze preconditions for ensuring economic security of entrepreneurial activities in Ukraine.

**The main body and results of the research.** According to official data of the State Statistics Service of Ukraine, indicators of almost all branches of the national economy have deteriorated over the last 5 years as a result of crisis phenomena. During 2013-2018, the number of types of profitable enterprises decreased, except for enterprises engaged in agriculture, forestry and fishing industry in 2015, and enterprises engaged in the financial services sector in 2016-2018. In 2015-2018, the largest losses were incurred by enterprises in industry, construction, financial and insurance activities and real estate operations. Significant rates of decline are observed in real disposable income of the population. As of January 1, 2019, the number of the officially unemployed increased in comparison with the previous period and equals 341.7 thousand people. [2]

The situation in Ukraine is much worse than it should have been in accordance with the indices indicated by the state authorities, but the economic complex of the country is functioning. In general, economic destabilization can be observed, indicating the need for general improvement of the real sector of the economy and effective mechanisms aimed at increasing the level of economic security of enterprise.

A statement by Z.S. Varnalii, which emphasizes that ensuring economic security of enterprise is an important task for state policy, is topical. The security of enterprise is an objective prerequisite for development of the entrepreneurial sector of national economy, and ensuring such structural components of state security as financial, social, technological, food, external economic, demographic, energy, and ecological components, and minimizing the probability of realizing considerable threats to national interests in the economic sphere. [3]

Under conditions of free enterprise, the state must regulate political, economic and social processes. State regulation of economic processes should aim at reproducing optimal proportions among production, exchange, distribution and consumption, and should promote economic security. Improving socio-economic policies through the use of a program-targeted approach can reduce the uncertainty factor, reduce the risks and threats to economic security.

T.Vasylytsiv considers entrepreneurship economic security to be characterized by a combination of conditions (social and psychological, organizational and professional, resource, financial and economic ones) of entrepreneurial activity establishment and implementation, by the level of the business sector of the

economy protection from internal and external threats, as well as the place of entrepreneurship in the state economic security risks minimization [4].

It is fairly determined by the scholar A. Odintsov that security of entrepreneurship is such a state of civilized business, under which there is no economic or other harm that would be intentionally inflicted by business individuals or organizations in violation of the law or the ethics or entrepreneurship [5].

Interpretation of the notion of entrepreneurial activities economic security given by T. Hladchenko is sufficiently generalized and accessible [6]. The author considers the investigated concept as "the state of stability of the enterprise and its ability to development, which is achieved by the actions of administration and the enterprise staff through implementation of a system of legal, economic, organizational, engineering, technical and social and psychological measures in the effective use of resources and prevention of threats at present and in the future". This definition is quite objective because firstly it emphasizes that stability and ability to develop are dynamic; and secondly, argues that the system of economic security of entrepreneurial activity should interact on a legal basis with the state system of ensuring economic security.

V. Tambovtsev in his paper [10] highlights connection between the concepts of economic security of the state and business entities, including those of the region, since security of economic entities as well as the condition of the economic system is the primary stage in the system of economic security of the state.

Separate aspects of entrepreneurial activity economic security were considered in the works of various domestic and foreign scholars. Thus, A.N. Tarasova and V.V. Zykov [11] analyzed the security of doing business through entrepreneurs' self-assessment of the security (stability) of their business as well as their perceptions of possible hazards (risks, threats) for their business.

Comparative analysis of system, functional, process, resource and causal approaches to the assessment of economic entities economic security is conducted in the works by H.V. Kozachenko [7; 8]. In the monograph by O.M. Liashenko [9] economic safety of the enterprise is considered from the standpoint of system analysis, the logic of controllability and harmonization while ensuring effectiveness of the enterprise economic security management are demonstrated.

Broadly defined, business security is understood as security condition of entrepreneurial activity subject at all stages of its functioning from both external and internal threats, which have negative economic, organizational, legal and other consequences.

Analyzing the diversity of approaches to this problem, we note that domestic experience of entrepreneurship and the history of world leaders' commercial success convincingly prove that entrepreneurial activity is one of the main drivers that determine competitiveness of economic systems, including regional one, their development and economic security.

Development of entrepreneurship is a necessary precondition of modern market relationships development in Ukraine. Besides total economic support of small and medium size businesses it is really efficient to implement local support systems and to finance innovative scientific and technical, economic and social programs, which are useful for the given territory.

Thus, one of the main functions of national economy management in the process of increasing economic security on both state and entrepreneurial activity levels is regulatory one, based on constant control of security level and improving social and economic relations.

Entrepreneurial activity is connected to a certain risk and thus requires creating such a managerial system, which would enable adequate assessment of risks and threats available and create measures on their avoiding, which is a system providing secure activity.

Timely indicating threats to entrepreneurial activity as well as assessing hazards to entrepreneurial activity coupled with creating measures on entrepreneurial activity economic security provision remains a principal issue.

According to author's approach, entrepreneurial activity economic security is a set of external and internal conditions under which a reliable protection of its economic interests from influence of potential and real threats is achieved, and is able to maintain stable functioning and steady development. Its provision should be based on corresponding strategy and tactics, through theoretical, legal, organizational and methodological basics of entrepreneurial activity economic security system functioning.

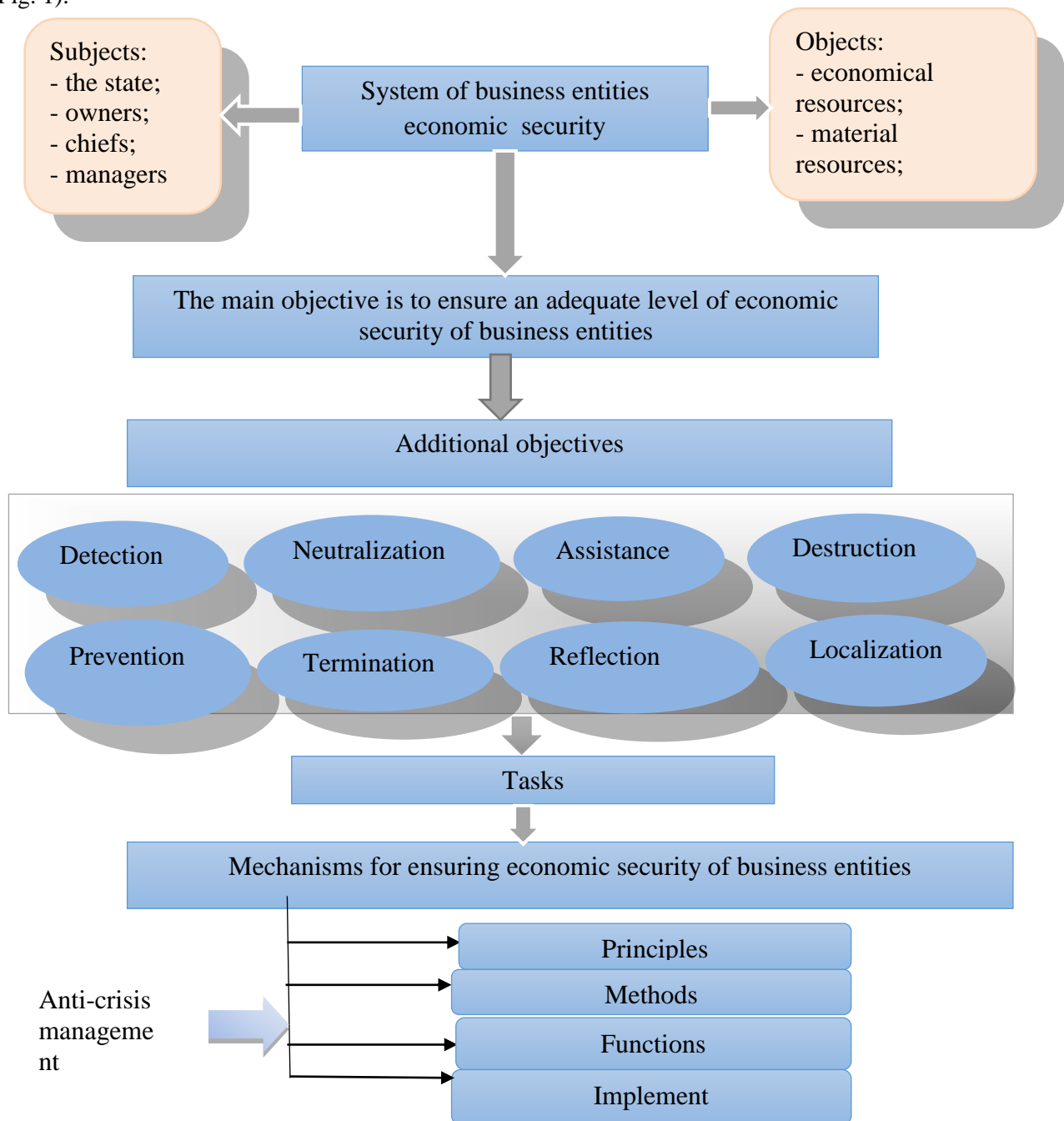
Enterprise economic security is characterizes by a system enabling preventing various threats and hazards, protects the enterprise economic interests and keeps loses within acceptable limits. Creating of such a system provides the level of economic security but requires patient work of the corresponding departments' staff.

The enterprise economic security should be considered in accordance to its functional components, which allows monitoring the factors influencing both financial condition and financial security as a whole,

investigate processes having impact on financial security provision; conduct analysis of entrepreneurial entity resources allocation and usage; create measures contributing to achievement high level of components leading to strengthening entrepreneurial entity financial security as a whole.

The system is defined as the ordered set of elements that are distinguished from their infinite set, between which there are certain interconnections. Taking it into account, we can determine the system of financial security of an enterprise as a set of interconnected elements, subsystems, financial instruments, leverage, methods and measures aimed at well-timed detection and neutralization of crisis phenomena, ensuring stable and efficient activity [7].

The system of economic security of business entities can be defined as an organized set of special bodies, funds, methods and affairs that provide protection from the influence of internal and external threats (Fig. 1).



**Fig.1 The system of business entities economic security**

Source: developed by the author for [4; 5; 6; 7]

During the formation of the system as a whole, its components undergo qualitative changes. Creation of the system is carried out by transforming the structure of interconnections between the components, as well as through the development of these components.

The system of economic security is formed individually for each business entity on the basis of the set aims and tasks, as well as the existing competition, the type of activity, market benefits, branch of industry, etc. Its functioning depends, first of all, on the legislative maintenance, material and financial resources, staff skills and experience and the person, responsible for economic security of the enterprise (corporate enterprise culture).

We consider that the level of economic security of an enterprise depends on how efficiently its chiefs and experts will be able to avoid possible threats and eliminate their undesirable consequences. It is important to organize high-level management, providing information technologies and use available fund efficiently.

The main tasks of economic security of enterprise is to create conditions for the development of enterprise activities and individuals, to ensure socio-economic stability in the country, to keep the integrity of the state, which can withstand the impact of internal and external threats. It is difficult to solve economic problems at the state and international levels without economic security. Sustainable business entity development is provided under favorable conditions, an agreed system of goods or services production, as well as an effective system of economic security, that is, the protection of the enterprise from external and internal threats.

**Conclusions.** Economic entrepreneurship security plays an important role in the national economic safety ensuring. Therefore, its strengthening significantly depends on improvement in the enterprises efficiency, providing them real economic growth; strengthening the financial potential of individual economic entities and, as a consequence, the economy as a whole.

The essence and content of entrepreneurial activity economic security manifests in ensuring the normal and stable enterprise activity, and is defined as the protection level of all enterprise systems in the implementation of economic activity in a particular situation.

Formation an effective mechanism for managing an enterprise economic security system allows proper analysis of hazards, threats and risks. The task of such an analysis is to identify sources and causes of hazards, threats and risks.

The development of entrepreneurship is due to the reduction of the state's influence on all major markets. Under these conditions, modern public management should develop and implement such organizational and economic mechanisms that would have been both more efficient and does not interfere with the development of market relations; development of competition in the domestic market; development of small and medium-sized business; increase of business activity of entrepreneurship.

The purposeful policy of economic processes state regulation in the implementation context of the declared strategies of country's social and economic development should be focused primarily on protecting the rights and interests of economic entities, their protection from unlawful actions. Only when the state provides personal security of citizens and businesses not in words but in deeds, the causes that precipitate criminal activity disappear, conditions for "displacement" shadow economy, corruption, illegal, criminal acts of others are created.

Research directions of the state policy in the context of economic business security enables making a conclusion, that under current conditions there is a need in reorientation of fiscal policy, which would provide the use of fiscal instruments to encourage the development of real sector of economy and budget-forming enterprises.

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UDC 332.14:351.863 (477.86)

**Онищенко Світлана Володимирівна**, доктор економічних наук, доцент, професор кафедри фінансів та банківської справи. Полтавський національний технічний університет імені Юрія Кондратюка. **Економічна безпека підприємництва в сучасних умовах**. Увага приділяється тому, що передумовою забезпечення соціально-економічного розвитку та конкурентоспроможності вітчизняної економіки є функціонування підприємства.

Проаналізовано різноманітні підходи до цього питання. Слід зазначити, що вітчизняний досвід підприємництва й історія комерційного успіху світових лідерів переконливо доводять, що підприємницька діяльність виступає одним з основних факторів, які визначають конкурентоспроможність економічних систем, у тому числі регіональної, їх розвиток та економічну безпеку. Згідно з підходом автора, економічна безпека підприємницької діяльності це сукупність зовнішніх і внутрішніх умов, за яких досягається надійний захист її економічних інтересів від впливу потенційних та реальних загроз, здатний підтримувати стабільне функціонування і стабільний розвиток.

Доведено, що економічна безпека підприємства характеризується системою, котра дозволяє запобігати різним загрозам та небезпекам, захищає економічні інтереси підприємства і зберігає втрати в прийнятних межах. Досліджується система економічної безпеки підприємницької діяльності, яка створюється індивідуально для кожного суб'єкта господарювання на основі визначеної мети та завдань, а також конкурентоспроможності, ринкових переваг, галузевої сфери тощо, технічних та фінансових ресурсів, навичок та досвіду персоналу й особи, яка відповідає за економічну безпеку підприємства.

Виявлено діалектику взаємодії економічної безпеки підприємства та підприємницької діяльності. Існує необхідність спрямованої політики щодо здійснення державного регулювання економічних процесів у контексті реалізації заявлених стратегій соціально-економічного розвитку країни, яка має бути насамперед спрямована на захист прав та інтересів суб'єктів господарювання від незаконних дій.

**Ключові слова:** підприємницька діяльність, економічна безпека, підприємницька економічна безпека, система економічної безпеки суб'єктів господарювання.

UDC 332.14:351.863 (477.86)

**Onyshchenko Svitlana Volodymyrivna**, DSc in Economics, Associate Professor, Professor of the Department of Finance and Banking, Poltava National Technical Yuri Kondratyuk University. **Entrepreneurship economic security under current conditions.** Attention is focused on the fact that precondition of providing social and economic development and competitiveness of domestic economy is an enterprise functioning. A variety of approaches to the issue are analyzed; it should be noted that domestic experience of entrepreneurship and the history of world leaders commercial success convincingly prove that entrepreneurial activity is one of the main drivers that determine competitiveness of economic systems, including regional one, their development and economic security. According to author's approach, entrepreneurial activity economic security is a set of external and internal conditions under which a reliable protection of its economic interests from influence of potential and real threats is achieved, and is able to maintain stable functioning and steady development. It is proved that enterprise economic security is characterizes by a system enabling preventing various threats and hazards, protects the enterprise economic interests and keeps losses within acceptable limits. A system of entrepreneurial activity economic security is investigated as the one being created individually for each business entity based on the defined aim and objectives as well as competitiveness, market advantages and industry field etc. its functioning depends first of all on legislative support, material, technical and financial resources, on the staff skills and experience and on the person in charge of an enterprise economic security.

The dialectics of an enterprise economic security and entrepreneurial activity economic security interaction is revealed. There is the necessity of directed policy on economic processes state regulation implementation in the context of realizing the stated strategies for social and economic development of the country, which has to be primarily focused on protection the rights and interests of business entities, their protection from illegal actions.

**Key words:** entrepreneurial activity economic security, entrepreneurship economic security, business entities economic security system.

UDC 332.14:351.863 (477.86)

**Онищенко Светлана Владимировна**, доктор экономических наук, доцент, профессор кафедры финансов и банковского дела. Полтавский национальный технический университет имени Юрия Кондратюка. **Экономическая безопасность предпринимательства в современных условиях.** Обращается внимание на то, что предпосылкой обеспечения социально-экономического развития и конкурентоспособности отечественной экономики является функционирование предприятия. Анализируются различные подходы к проблеме. Следует отметить, что отечественный опыт предпринимательства и история коммерческого успеха мировых лидеров убедительно доказывают, что предпринимательская деятельность является одним из основных факторов, определяющих конкурентоспособность экономических систем, в том числе региональных, их развитие и экономическую безопасность. Согласно авторскому подходу экономическая безопасность предпринимательской деятельности представляет собой совокупность внешних и внутренних условий, при которых достигается надежная защита ее экономических интересов от влияния потенциальных и реальных угроз, и она способна поддерживать стабильное функционирование и устойчивое развитие. Доказано, что экономическая безопасность предприятия характеризуется системой, позволяющей предотвращать различные угрозы и опасности, защищать экономические интересы предприятия и поддерживать потери в допустимых пределах. Система экономической безопасности предпринимательской деятельности исследуется как система, создаваемая индивидуально для каждого субъекта предпринимательской деятельности на основе определенных целей и задач, а также конкурентоспособности, рыночных преимуществ. Ее функционирование зависит прежде всего от законодательной поддержки, материального обеспечения, технических и финансовых ресурсов, навыков и опыта персонала, а также лица, отвечающего за экономическую безопасность предприятия. Раскрыта диалектика взаимодействия экономической безопасности предприятия и предпринимательской деятельности. Существует необходимость направленной политики по реализации государственного регулирования экономических процессов в контексте реализации заявленных стратегий социально-экономического развития страны, которая должна быть в первую очередь направлена на защиту прав и интересов субъектов предпринимательства от незаконных действий

**Ключевые слова:** экономическая безопасность предпринимательской деятельности, экономическая безопасность предпринимательства, система экономической безопасности субъектов хозяйствования.