DEVELOPMENT OF THREATS TO ENTERPRISE ACTIVITY

Ganna Kozachenko,
Doctor of Economics, Professor,
Poltava National Technical Yuri Kondratyuk University, Poltava, Ukraine,
Yuriy Pogorelov,
Doctor of Economic Sciences, Associate Professor,
Accounting Chamber of Ukraine, Kyiv, Ukraine
Anastasiya Bilousova,
Ph.D. in Economics,
Poltava National Technical Yuri Kondratyuk University, Poltava, Ukraine

The protective approach to security studies emerged to become the first and one of the most widely used in the related field. As early as the 1990s this approach was considered in a rather simplified manner - as protection from various economic crimes (property damages, information breach, fraud, counterfeiting, industrial espionage etc.).

As of today, the protective approach has the leading position in economic security studies overall, as it serves as the starting point for various other approaches to interpretation of enterprise economic security.

Under this approach, the core notions become "protection", "protectability" and also "threat", as all three are vital in explaining the phenomenon of enterprise economic security.

When we consider contemporary economic security studies at their microlevel, definition of the notion "threat" tends to be rather blurry as there are no distinctive criteria for it (Vasyltsiv, Pasichnyk, 2008; Gadyshev, Poskochinova, n.d.; Kuznetsova, Kyune, 2015; Melnyk, 2011; Orlyk, 2014; Fursa, n.d.).

Taking into account the fundamental nature of the notion "threat" in the context of economic security, we would like to emphasize on the necessity to conduct more indepth research of this category; directions in such research have been already outlined in (Kozachenko, Pogorelov, 2018).

Any sort of threat to enterprise activity can ever emerge suddenly and out of nowhere. It forms and develops gradually, thus, its emergence is a process which has the start and the ending of its own. Thus, we talk here not about some sort of one-moment event, but rather about a gradual change of conditions influencing processes, events and phenomena in both external and internal environments of an enterprise. For some reason(s), these processes, events and phenomena are changing from the state of indifference to the state of an actual threat. The key cause for such a change would be presence of such conditions (situations, circumstances) in external/internal environment of an enterprise which predetermine changes of purely negative nature. Consequently, later on this enterprise would need additional resources to remove/fight these negative changes, and in many cases the most

important additional resource in this regard would be Time.

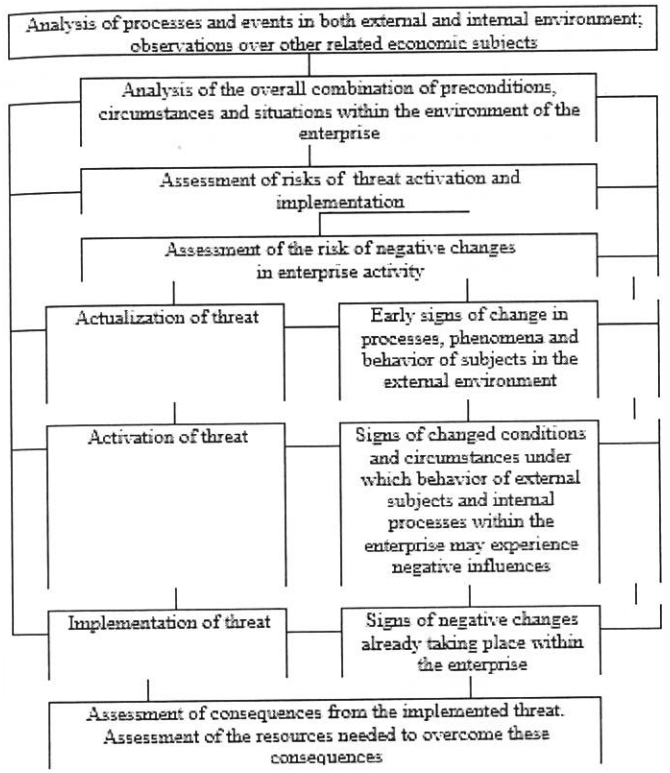

Fig 1. The pattern of threat development analysis for enterprises

Development of threats to enterprise activity often starts when the subjects of external environment demonstrate indifferent behavior in relation to the enterprise and at the same time they have a well-targeted capacity to cause serious changes in the activity of this enterprise.

Development of a threat to enterprise activity is a process which always goes through several rather specific stages: actualization of threat, activation of threat and finally, implementation of threat. In Figure 1 we offer a scheme, following which the process of threat development can be analyzed specifically in the context of enterprise activity.

Actualization, activation and implementation of threat to enterprise activity are stages in the process, which means they have their turn and order: once the stage of actualization is coming to its end, the next stage, that of activation, begins. Then, the end of activation stage means the stage of implementation starts.

In the absolute majority of cases, coming to the stage of threat implementation does not necessarily mean the enterprise would stop functioning (the major exception being the so-called resonance effect, when several significant threats are being implemented at the same time, thus leading together to negative consequences of a much serious level). In all other cases the stage of threat implementation would only mean certain complications to enterprise functioning.

Actualization of threat to enterprise activity means that this activity contains (though this could be not that obvious) the preconditions under which certain processes and/or phenomena in the internal and/or external environment may cause changes of a negative nature.

The stage of threat actualization can be described as follows:

• processes and phenomena that potentially may lead to negative changes are already being formed. There are already early signs of that, but their manifestation is very weak. Detecting these early signs and interpreting them in a right manner is actually one of the most important tasks in security activity of any enterprise. In this regard, availability of free time becomes one of the key advantages since the enterprise needs to have time for: preparation to negative changes; reducing the scale of these changes; or even avoiding negative consequences as such;

• on the other hand, we can also observe the revealing (if already present) or forming preconditions (circumstances, situations) under which certain processes and phenomena in the internal and external environments of the enterprise as well as behavior of the external environment subjects (or changes in it) may cause negative changes in the enterprise performance.

Therefore, the following preconditions are supposed to be present for actualization of threat to enterprise activity:

• specific processes and phenomena must be present in the external/internal environment of the enterprise;

• there supposed to be certain preconditions under which these processes and phenomena would eventually turn into real threats to this enterprise functioning.

Actualization of threat to enterprise activity is not only a stage in threat development but also a process which is taking place only once these two specific preconditions have been met. Since both external and internal environments of an enterprise contain a large variety of processes and phenomena and also since every enterprise interacts with many economic agents at the same time, actualization of threats is a neverending process. Thus, it would extremely hard (if possible as such) to determine when this process of actualization starts and when it finishes (in relation to one particular threat).

Therefore, actualization of threat to enterprise activity is always an ongoing process which has various manifestations and may take different forms.

Actualization of threat to enterprise activity as a stage in threat development process has its own specificity for each enterprise since it is always predetermined by peculiarities of enterprise functioning. Every enterprise reacts to changes and

threats in its own way, moreover, every enterprise has its own capacity to detect and prevent threats to own functioning, to assess the scale of all potential consequences and to take security-related actions accordingly.

Is the stage of threat actualization inevitable? This is the question which we cannot answer with the absolute certainty due to the following reasons.

Too many factors are influencing enterprises and the process of threats' actualization at the same time: the overall state of the external business environment in a country/region, state regulatory policy in relation to business entities; decisions made by top management, enterprise owners or other vitally important stakeholders, their capacity to differentiate properly between own business interests and those of the enterprise itself, the capacity of all involved stakeholders to overcome the potential conflicts of interest and so on.

In some cases actualization of a specific threat may not start, for example, when the negative change from one event/process is overcompensated by the positive influence of other event/process, or when the enterprise has enough capacity to take security-related actions so that to avoid/prevent the formation of negative preconditions.

Actualization of threat may also start but be very slow in its development. Under such scenario, the actualization process can be stopped and the next stage, that of threat activation, can be avoided, thus minimizing the risk of threat implementation.

Therefore, actualization of threat to enterprise activity always has some degree of probability: under certain conditions the threat may develop to the next level, and under other conditions it never will. This probability of threat actualization depends on two preconditions: enterprise's sensitivity to threats and the quality of security provision. If quality of the latter is high enough, then threats can be relatively easily stopped even at the stage of threat implementation. And if the process of threat development through stages is left totally uncontrollable, then transition from one stage to another may become even quicker (provided there would be no objective limitations to the rate of changes).

Activation of threat to enterprise activity usually means that enterprise functioning itself contains certain preconditions under which the probability of negative changes is growing under the influence of other, objective processes and phenomena in the internal and external environments of this enterprise.

Activation of threat can be also seen as a structured subprocess in which we can differentiate between two phases – emergence of threat and its repletion.

During the phase of threat emergence in enterprise activity the threat already has a specific form, while all potential consequences from its implementation become rather obvious. Thus we can state that during this phase in development the threat becomes potentially possible, and its most specific features become noticable. If during this phase the enterprise takes security-related actions - it will receive an opportunity to prepare properly to future negative changes. However, security-related actions taken at this stage already would require significantly more time

and other enterprise resources, as compared to the stage of threat actualization. This means that security measures to be taken at this stage must be much more active.

Implementation of threat to enterprise activity means that negative changes have already started taking place. Such changes can be isolated, one-time events, however, in most cases negative changes as implemented threats take the form of chain reaction: one negative change in one part of the functioning system of the enterprise is causing several other negative changes in the related subsystems. In their turn, these "secondary" changes are causing further negative changes.

Also noteworthy is the fact that these negative changes are never momentary, they are gradual and take some time. In other words, implementation of a negative change is also a process, with the timing of its own.

If the enterprise, for some reason, does not respond to these negative changes or if its response is not active and targeted enough - then negative changes will lead to qualitative transformation of the enterprise as a whole. Most probably, this will mean complete disintegration of the enterprise: it will gradually lose its functions, one by one, up to absolute degradation of functionality. This means that the enterprise will reach the state of crisis.

Once we can observe negative changes in enterprise activity and the first consequences from these changes, the threat can be considered as implemented. Duration of the process of threat development may vary, it may take years in some cases, and in other cases it will go at lightning speed. This process can be blocked, it can be slowed down or even fully stopped, depending mostly on how efficient are the security actions taken by the enterprise.

Contents of each stage in the development of threats to enterprises are described in Table 1.

If the enterprise turns out to be not ready to react to these changes accordingly or simply does not have enough resources to do so, then negative changes will cause significant damages to it. Fixing the situation later would require even more resources (and again, time in the first place). Moreover, even if the enterprise has enough resources ready and is capable of security provision, this does not automatically mean it will successfully overcome all related negative changes quickly enough. In many cases consequences from negative changes are so quick that all attempts to fix the situation come too late.

To sum up, actualization, activation and implementation of threat are three stages in the process of threat development. Start of each of them has its special early signs. Thus, to be ready to take security actions, the enterprise needs to know all these signs and to be ready to detect and prevent them, or at least to track their emergence and development. In many cases it would be completely sufficient to hinder the development of a threat, thus postponing the stage of threat implementation indefinitely. The enterprise can also reduce the scale of threat implementation to the very minimum, thus making all further negative consequences barely noticeable for the enterprise.

Table 1

Stages in the development of threat to enterprise activity, their contents and results

Stages in the development of threats to enterprise activity	Contents of the stage	Results at the end of the stage
Actualization of threat	New processes and phenomena emerge and develop in the external and/or internal environments of the enterprise; the already available processes and phenomena tend to have their nature seriously changed; subjects of the external environment may change their behavior, especially those with whom this enterprise has the closest relations. Formation of new/changed conditions, circumstances and situations under which processes and phenomena inside the enterprise or in close proximity to it may change to become a potential or actual threat to this enterprise	The enterprise becomes sensitive to the influence of processes and phenomena in the internal and external environment and also to behavior of the selected external subjects
Activation of threat:	Emergence and formation of a threat to enterprise activity	
the phase of threat emergence	Formation of threat to enterprise activity (the threat takes a specific form, its consequences become rather obvious and overall, it becomes clear that the threat is very much possible)	Specific threat to enterprise activity with its own degree of probability
the phase of threat repletion	The probability of threat implementation goes significantly up till the level when the threat is fully formed (thus, the probability of negative changes becomes nearly certainty).	Specific threat to enterprise activity with high probability/near-certainty of its implementation.
Implementation of threat	Negative changes start to reveal themselves in enterprise activity. In most cases, they come as an avalanche. Moreover, they often cause the domino effect, going one after another.	Counteraction to negative changes, as a rule, does not automatically mean returning to the previous stable condition of the enterprise, no matter how successful this counteraction is. In case the enterprise, for some reason, does not counteract to negative changes as such, its full degradation is quite possible.

All actions by all third parties within the external environment along with numerous other processes, phenomena and trends together shape the business surrounding of the enterprise. In other words, together they become the environment in which, under certain preconditions, various sorts of threat may emerge and start developing. Once a threat reached the stage of implementation in its development,

we can also observe the negative consequences from this implementation: the regular course of business events is violated, haltings are observed in both core and auxiliary processes, the results overall start to be unsatisfactory as compared to previous period etc. Putting it another way, threats to enterprise activity are being not only activated but also implemented in full.

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INTERNATIONAL INVESTMENT BEHAVIOUR OF CORPORATIONS IN THE FORMAT OF INVESTMENT SECURITY

Larysa Rudenko-Sudarieva,
Doctor of Sciences (Economics), Professor,
Olga Lukianenko,
Doctor of Sciences (Economics), Associate Professor,
Yuliia Shevchenko,
Master of International Economics, Postgraduate student,
SHEE "Kyiv National Economic University named after Vadym Hetman"

Statement of the problem. In recent years, global economic processes, including investment, are under constant influence of new and powerful factors. They are not just ambivalent or have a dual character, but often are latent in nature, and accordingly change the usual actions of subjects of international business. As a result, the latter are forced to transform their own investment activities, adapting to such conditions.

So it is necessary to research current tendencies of management techniques of investment behaviour of TNC, to obtain better social and economical results and to provide economic security for host countries.

Many international and domestic scientists, beginning from F. Quesnay, A. Smith, D. Ricardo, K. Marx, J. Schumpeter and to L.J. Gitman, D. Lukianenko, O. Mozghovyi, deal with research and development of investment behaviour of TNCs in modern economic conditions. But because of various changes in the world economic space, the need in further study of modern investment trends remains relevant, hence the demand for a wider synthesis of investment problems in the economic space emerges, taking into account the need to provide national economic security prospects.

The purpose of this paper is substantiate positions of essence of transnational corporations, TNCs' investment activity and their investment behaviour in the context of the latest global challenges and threats in the global investment environment.

The research is carried out using both general scientific and special methods: scientific abstraction, analysis and synthesis, historical-logical method, system approach method, the method of theoretical generalization.

The main scientific results. In spite of numerous discussions on the definition of the concept of investment, in our study investments will be long-term investment of capital and various forms of assets in various sectors of public life, mainly outside the country, as well as property and intellectual valuables, which are invested in objects of various types of activities, as a result of which the profit is obtained or the social effect is achieved by the subjects of investment activity [10].