

## SECTION 3. ECONOMY AND OPERATION OF NATIONAL ECONOMY

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### FEATURES OF STRATEGIC MANAGEMENT IN THE CONDITIONS OF ECONOMIC DEVELOPMENT

Economic development is a process of functioning and evolution of the economic system in a long-term period that is characterized by the change of the market and productive state of affairs while a considerable role is played by the investment, innovative, technical and technological factors of economy development.

The main driving force of economic development is material and spiritual values of human, and the contradictions of economic system elements, among which are: the productive forces, technical and economic relations, property and economic mechanism. Modern problems of economic development are associated primarily with the intellectualization of labour, giving the highest priority to the processes of production of new knowledge that is able to provide socio-economic progress of the Ukrainian society.

Strategic management is the realization of conception that combines purposeful and integral approaches to the enterprise activity, which gives an opportunity to set aims of development, compare them with present possibilities (potential) of enterprise and bring them to conformity by development and realization of the strategies system.

Strategic management is a process, by means of which managers carry out long-term management of organization, determine specific aims of activity, develop strategies for the achievement of these aims, taking into account all relevant (most substantial) external and internal terms, and

also provide implementations of the worked out corresponding plans, that are constantly developing and changing.

Strategic management provides an enterprise with:

- 1) means of foresight and adaptation to the changes of environment;
- 2) tools for co-ordination and integrations of operations that often can be diversified and geographically separate;
- 3) mechanisms to create necessary connection between formulation and realization of a strategy.

Thus, a strategic management is the administrative process, which is sent to the construction of such dynamic system, that would give an opportunity to provide in good time determination of mission, values, vision, aims and strategies, development and implementation of the system of plans, improvement of enterprise and its separate subsystems those are a basis for the increase in its competitiveness and existence in a long-term prospect.

Thus, in our opinion, strategic management is the conception of choice in certain conditions. It gives more or less concrete idea about how organization should look like in the future: in what surroundings it will have to work, what position should occupy in the market, what competitive advantages should have, what changes should be done in organization. Also it is aimed at creation of competitive advantages of enterprise and establishment of effective strategic position

that will provide future viability of organization in changeable terms.

Thus, it is possible to draw conclusion that enterprises, which own a strategy and introduce a strategic management, always have an opportunity to behave in a consistent manner in the business in particular and in a market dynamic competition environment as a whole that increases probability of

achievement by them of the put aim. Therefore introduction of the strategic management system in Ukraine is objectively a necessary process in the field of organization of business management, which promotes the willingness of enterprise organizations to react adequately on unforeseen changes, and assists the reasonable, concerted solving of both current and strategic problems.