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9.2 Areas of improvement of the activities of the international company

Directions for improving the organizational structure of the enterprise, taking into account the requirements of martial law, are proposed. In the event of a decrease in income, directions for improving the management of international activities are outlined. The informational section on state and donor programs and private initiatives to support entrepreneurs, which will help preserve business, jobs, and support the economy of Ukraine, was considered. The obtained results of the research can be used to restart the business in the conditions of martial law. It is proposed to use an online tool that will help to collect information about resources, build a strategy, and take concrete steps to start a business with the aim of a faster recovery of the Ukrainian economy.

Keywords: *strategy, organizational structure, SWOT analysis, business support, restart.*

The effective foreign economic activity of the subject is a solid foundation of the enterprise in the domestic market, its constant development and improvement, and effective management of international contractual affairs at the enterprise. When entering and carrying out activities in the international market, special attention should be paid to the political and economic state of the country, since outdated and general information about legal, economic, and social regulations can lead to significant losses and fines for the enterprise. Therefore, the issue of managing international activities at the enterprise becomes extremely relevant in the implementation of management processes, conclusion and implementation of international contracts.

Many works of Ukrainian economists are devoted to the study of the problems of improving the management of international activities at the enterprise, particularly: Kozak Y.G. [455], Belinska Ya.V., Kolyada O.V., Nazarov M.I [456], Melnyk Yu.V. [457], Shtal T.V. , Bestuzheva S.V. [458], O. S. Senyshyn , O. V. Kryveshko [459], Skibitskyi O.M. [460], Khachatryan V.V. , Menchynska O.M. [461], Bokovets V.V., Davidyuk L.P. [462] and others.

However, some issues require further research into the specification of organizational, economic, and strategic development of the enterprise's international activities.

Investigate the possibilities of improving the management of international activities using the example of a business entity that imports products. Consider the options for developing strategies, taking into account the factors of influence of the macro-environment and micro-environment during the implementation of the enterprise's environmental protection to increase the effectiveness of management decisions in the conditions of the implementation of import operations.

The research was carried out on the example of a business entity according to the main classifier of types of economic activity, which is engaged in wholesale trade in iron products, plumbing and heating equipment and their accessories.

The company operates as a small business entity and is not a "newcomer" to the markets. It has certain difficulties in managing international activities. According to the conducted analysis of the activity, it was established:

− although the enterprise has a negative trend of indicators, it occupies a significant place in the domestic market, as imported products are in demand.

− a linear organizational structure is quite simple for small businesses.

− the decrease in the volume of sold products occurred due to a decrease in the needs of buyers in the domestic market, the instability of foreign currency, and the introduction of martial law in the country.

The enterprise has a linear organizational structure. It is quite convenient for small enterprises and is simple because the solution is created by the director and implemented by employees and departments. Such an organizational structure allows the firm to make decisions quickly and to act effectively and on time, and there is also strict discipline since decisions and control belong only to the director.

In order to improve the management of international activities at the enterprise, let's start with the organizational structure. Establishing that the company lacks legal specialists and specialists from the marketing department, placing a significant number of responsibilities on the purchasing/sales department.

Fig. 1 lists directions for improving the organizational structure. They are significantly costly for the enterprise since in pursuance of increasing the efficiency of the use of labour potential and its structural components, such as professional qualification, psychophysiological, personal, and reproduction, the enterprise needs shifts in the organizational structure and deep changes in management methods, but the result of such actions will be the high competitiveness of the business entity in the market.

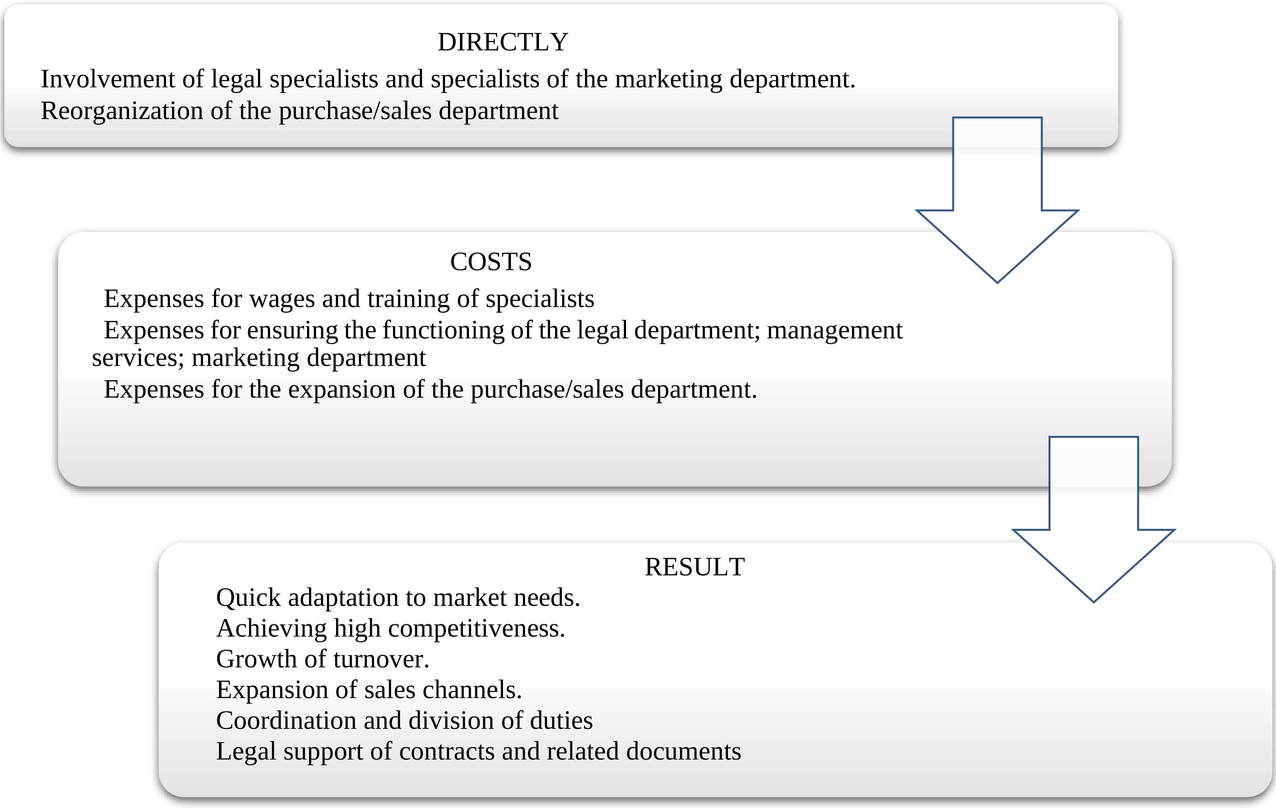

Figure 1. Directions, costs and results for improving the management of the organizational structure

Factors affecting the level of competition are:

– The ability to quickly adapt to the needs of the market and provide them by conducting preliminary analyzes by the purchase/sales department, by involving and relying on a separate employee, obligations to analyze previous periods, the current state and forecast market needs [457].

− Study and assessment of the company's strengths and weaknesses by conducting research by the marketing department, and based on the data, developing or adjusting internal programs: price, product, marketing, sales, service, etc.

− Through the search and expansion of sales channels, it is possible to enter the international market as an intermediary or distributor.

− Reorganization and restructuring of the responsibilities of each employee will make it possible to more clearly understand and perform the scope of their work.

− Partial coordination of tasks will make it possible to establish a level of trust and mutual cooperation between the manager and employees.

− The legal department is the guarantor of the minimization of unforeseen risks during the conclusion and fulfilment of the terms of the contract, as well as the necessary legal support of all accompanying documents during all stages of product import. Such a change will make it unnecessary to contact secondary specialists and pay them for the services provided. It remained quite convenient and simple for a small business since the solution was created and owned by the director and implemented by employees and departments.

Therefore, under normal conditions, it is advisable for the enterprise to expand the organizational structure and attract highly qualified employees to improve the process of its activity.

When developing any strategy, the primary priority is the analysis of the current state of the enterprise in the market. In order to study the strengths, weaknesses, threats, and opportunities, SWOT analysis is used, which allows simultaneous analysis of the external and internal environment and finds their interrelationship and dependence. For an enterprise, the choice of strategy is important for the comprehensive development and management of international activities. It is also necessary to systematize the factors affecting the macro-environment and micro-environment during the implementation of the enterprise's environmental impact assessment to increase the effectiveness of management decisions in the conditions of the import operation, which significantly minimizes the likelihood of risk.

But, in the conditions of war, it is necessary to review the organizational structure of the company (redistribute functions, if necessary).

– Determine which employees can now perform their functions.

– Redistribute temporary functions, record this division of duties, and bring it to the attention of all employees.

– Carry out personnel analysis and determine the area of responsibility. A possible layout is presented in Table 1.

Table 1

Analysis of personnel competencies under martial law

	1	**2**	**3**	**…**	**n**
Employee					
Position					
Importance to the survival of the company					
Personal qualities (soft skills)					
Professional qualities (hard skills)					
Ability to retrain					
Willingness to work under the conditions of minimum payment					
Possession of other skills that may be useful for the company in the near future					
Total points					

Compiled based on materials [464]

Having carried out an economic analysis of the company's activities, the following problems in the company's work were identified:

1. A decrease in the company's income.

This indicator shows the work of the enterprise as a whole. Two main indicators affect the amount of income from product sales:

- the volume of product sales;

- production cost.

The assessment of the current state of the company's expenses indicates that its behaviour is largely influenced by the features of the company's functioning. The economic analysis fully evaluates the specified costs and implements measures to optimize them in the conditions of dynamic changes in the internal and external environment.

2. The absence of a significant amount of loan capital

Capital has a direct impact on the financial condition of the enterprise. In particular, on solvency, profitability, etc. Capital is the main element and basis for conducting the business activities of an enterprise.

The low level of financial stability, caused by an insufficient amount of equity capital to ensure activity, is an urgent problem in the domestic market. Therefore, today's company specialists are developing and implementing a plan to optimize the capital structure, namely the creation of an optimal ratio of equity and debt capital.

The company uses and accumulates only retained earnings, which is the only source of equity capital replenishment.

The enterprise has the following problems: the need to attract additional sources; improve the state of the enterprise and its solvency; increase the amount of reserve capital; build up retained earnings.

Directions for improving the management of international activities in the event of a decrease in income are presented in Figure 2.

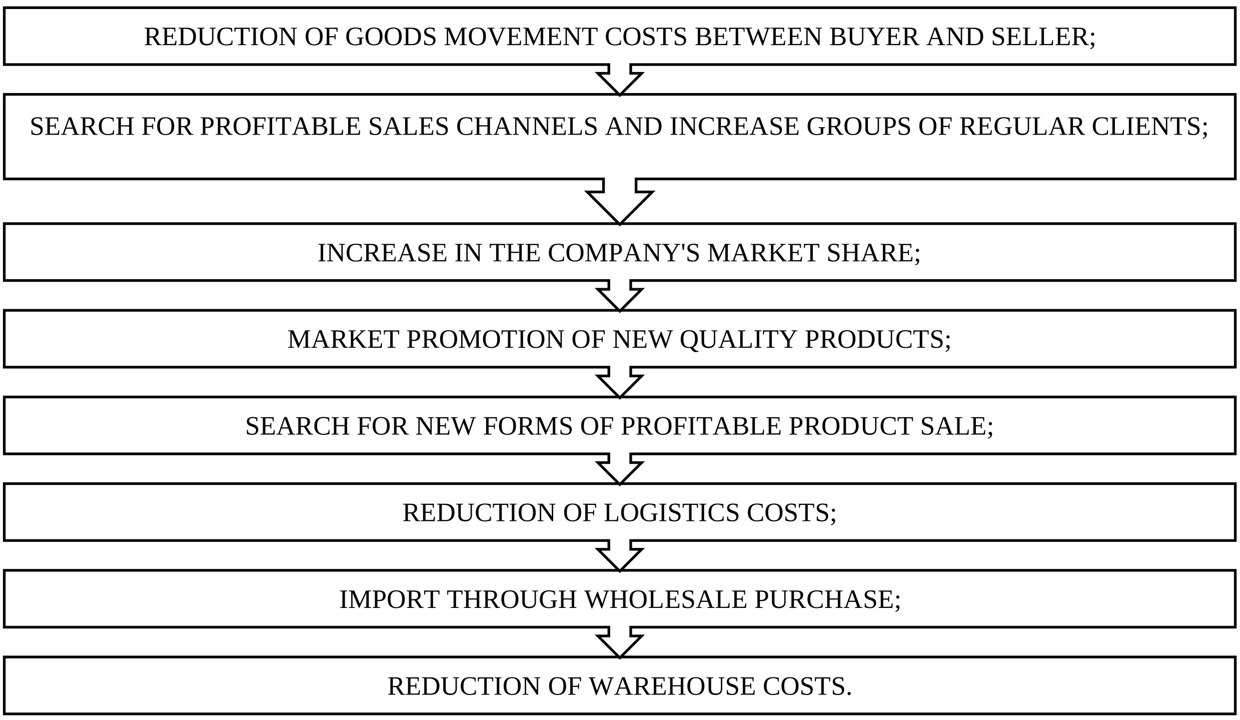

Figure 2. Directions of growth of the company's income

In global practice, the process of developing strategies aimed at reducing any errors, losses, and threats that arise stands out in the management of factors affecting activity.

The development of such strategies is a time-consuming process as foreign economic activity has a specific nature. In particular, the process of planning, production, and implementation is carried out in a wide territorial space, with different management and economic systems, currencies, etc.[460].

Strategic management of influencing factors involves the performance of certain tasks presented in Figure 3 .

1. Preparation of a plan of measures to minimize and eliminate factors of foreign economic activity;
2. According to the developed plan, the primary analysis of the risks of foreign economic activity and risks from economic activity.
3. Formation of a plan for monitoring the decisions made regarding the factors;
4. Evaluation of the effectiveness of the developed plan for minimizing impact factors;
5. Approval of the project of risk elimination strategies.

Figure 3 . Strategic tasks of managing influencing factors.

Such a plan should be based on three principles:

1. Systematicity – comprehensive measures to minimize risks.
2. Reasonability – reasoned measures and actions of influence factor management.
3. Flexibility – implementation of measures taking into account constantly changing risks [459].

During the war, the Business Development Office [463] provides business support. The link https://business.diia.gov.ua/wartime contains an information section about state and donor programs – private initiatives to support entrepreneurs in wartime, which will help preserve business, jobs, and support the economy of Ukraine.

Among the recommendations regarding the implementation of the anti-crisis strategy, a special place is occupied by the issue of reducing expenses. In order to reduce costs, it is proposed:

− Cancel or postpone all payments that are not directly related to the implementation process.

− In accordance with the presence of filled funds, review the amount of wages (perhaps someone has resigned, someone cannot work 100% of the time, etc.) to balance the overall picture.

− Review expenses for the office and leased facilities (areas, shops, equipment), and conduct negotiations with the tenant.

− Examine your communication and utility expenses.

− Examine credit obligations.

− Examine the budgets for marketing and advertising [464].

The issue of a general corporate strategy should be considered separately. It is advisable to redefine the company's guidelines:

− Corporate values: why the company will work now.

− Determine what the company can produce and sell now.

On the initiative of UA Anti-crisis [464] a checklist for the business restart was proposed — a tool that will help to collect information about resources, build a strategy, and take concrete steps to start a business with the aim of a faster recovery of the Ukrainian economy. The tool has been developed by the UA initiative Anti-crisis with the heads of Ukrainian companies who have resumed the operation of their businesses and are ready to share their experience with the aim of speeding up the recovery of the Ukrainian economy. The UA initiative Anti-crisis was created by participants of educational programs developed and implemented by the Institute of Marketing (Estonia) in partnership with the Office for Entrepreneurship and Export Development.

Taking all that has been written above into consideration, we can conclude that the enterprise has created a comprehensive system of management of international activities. A successful international activity entails thoroughly ensuring the enterprise's internal organizational structure, studying its costs and their impact on profit, encouraging the minimal involvement of loan capital, and minimising all potential risks and predicting them in the contract terms.