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## **IMPLEMENTATION OF ADAPTATION TO CHANGES AS AN ELEMENT OF COMPANY'S MANAGEMENT**

In order to form an effective mechanism for managing enterprises' adaptation to change, a study of theoretical and methodological foundations of managing enterprise adaptation to change was conducted. The purpose of the research is the improvement of the theoretical approach to the method of management mechanism adaptation enterprises to the changes. The scientifically grounded management of the enterprise's activity is key to the formation of its competitiveness in the long-term perspective. Just taking into account theoretical developments gives modern enterprises the opportunity to adapt to market conditions and compete on it. Management of the company's activity, built on a scientific basis, creates a competitive advantage for the enterprise and provides the basis for gradual adaptation to constantly changing conditions. Modern enterprises need to manage adaptive changes from the point of view of forming an adaptive management mechanism – at the level of management of external, internal, and administrative changes.

**Keywords:** changes, adaptation, management, mechanism, activity.

Increasing the efficiency of modern enterprises and achieving their competitive advantages is possible only with a comprehensive approach to the process of managing their activities and adapting to the changes. The integrated solution of this task will allow solving the economic problems of enterprises and create the preconditions for the development of the country's economy, which also directly influences social development in the state.

The purpose of research is the improvement of the theoretical approach to the method of management mechanism adaptation enterprises to the changes.

In recent years, many scholars have paid much attention to the formation of a mechanism for managing enterprises. The issue of managing the activities of enterprises at the present stage was studied by leading foreign scientists<sup>1</sup>. A major contribution to the development of enterprise business management methodology was made by domestic scientists<sup>2</sup> and other. Although the theoretical basis for the formation of an adaptation management mechanism for enterprise changes requires more detailed elaboration and comprehension taking into account specific features of enterprise activity in modern conditions.

Any system consists of many elements interconnected. Management system is a set of subsystems that reflect certain aspects of management: goals, functions, principles, methods, bodies management, personnel, technology. The main management system lies in the management mechanism.

The main purpose of the management system of any enterprise is to ensure the manageability of all aspects of its activities in order to optimize them and achieve the target performance indicators. The level of perfection of the management system determines the possible advantages of the company in the market, additional factors for its competitiveness and opportunities for sustainable development in the market.

<sup>1</sup> Друкер, П. (2012). *Менеджмент. Вызовы XXI века*. Москва: Манн, Иванов и Фербер; Хэмэл, Г., Прахалад, К., О'Нил, Д. (2005). *Стратегическая гибкость*. СПб.: Питер; Мельник, Л.Г. (2014) *Основи стійкого розвитку*. Суми: Університетська книга; Хитра, О. В. (2008). Проблемы організаційного розвитку крізь призму синергетики. *Вісник Хмельницького національного університету. Економічні науки*, 2, 188-195; Кучеренко, В. Р., Андрейченко, А. В., Грінченко, Р. В. (2013). *Моніторинг світових ринків харчової сировини та продукції АПК*. Одеса: Прес-курер; Мізюк, Б.М. (2009). *Основи стратегічного управління*. Львів: Магнолія 2006.

<sup>2</sup> Хитра, О. В. (2008). Проблемы організаційного розвитку крізь призму синергетики. *Вісник Хмельницького національного університету. Економічні науки*, 2, 188-195; Кучеренко, В. Р., Андрейченко, А. В., Грінченко, Р. В. (2013). *Моніторинг світових ринків харчової сировини та продукції АПК*. Одеса: Прес-курер; Мізюк, Б. М. (2009). *Основи стратегічного управління*. Львів: Магнолія 2006.

Summing up studies, we can say that the mechanism of management of enterprise has four main components: legal mechanism; organizational and economic mechanism; technological mechanism; social mechanism.

Summarizing the research carried out in defining the concept of "adaptation", its distinction from "management" and "strategic flexibility" by leading foreign and domestic scientists, the following conclusions can be drawn:

- Adaptation of enterprise activity can be considered as property of the system, process and method.
- the adaptation of the activities of enterprises is narrowed to adapt to the external environment of the company's operation.
- the essence of adaptation is reduced to the management of the production, administrative and social aspects of the enterprise
- adaptation is considered more as a passive adaptation to market conditions, without the use of significant changes in the activities of the enterprise.

Thus, under the "adaptation" should be understood as a continuous process of studying the external and internal environment of the enterprise, the development and implementation of changes in the management of organizational, economic, legal, technological and social components of enterprises to achieve the target indicators of activity and increase the competitiveness of enterprises, as well as leveling the negative effects of cyclicity and seasonality in activities enterprises.

The above definition is based on the following main aspects of adaptation:

- adaptation of the enterprise should be based on a thorough analysis of the external and internal components of the enterprise;
- the adaptation of enterprise activity should not be limited to adaptation to the external environment, but also take into account the need for adaptation changes in the internal environment;
- adaptive management changes should be carried out comprehensively in all areas of business management, organizational, economic, legal, technological and social components;
- management of adaptation changes only in several constituent aspects of management can lead to an imbalance in the development of the enterprise and the loss of its competitive position in the market;
- adaptation as an adaptation in today's dynamic conditions of the development of the market of agro-industrial products is impossible. Therefore, it is necessary to develop active mechanisms for managing adaptation to changes taking into account the high level of uncertainty and risk in the market;
- the mechanism for managing adaptation to changes enterprises must be flexible to market conditions and built on scientifically sound grounds, on the assets of modern world economic science.

Thus, modern enterprises need to manage adaptation to the changes in terms of the formation mechanism of adaptation management – at the level of management of external, internal and administrative changes. However, you should always take into account the capabilities and operation of the bifurcation mechanism of system change.

According to leading foreign and domestic scientists, the main mechanism of adaptation of enterprises is due to management: organizational, production and management processes at the enterprise. However, not every enterprise can flexibly respond to the impact of market conditions and change its organizational, production and management mechanisms. It is the ability to respond flexibly to changes in external conditions by adapting internal characteristics and adaptive capabilities of the enterprise. The greater the adaptability of the enterprise, the higher the probability of achieving its goals in the conditions of a dynamically developing external environment.

Thus, the mechanism of enterprises adaptation to the changes should be viewed from the perspective of three main components: organizational, production, management mechanisms, which in their totality of their relationships constitute a complex system of adaptation of the enterprise to market conditions.

But there is a scientific contradiction in this interpretation. By itself, the management mechanism involves managing the organizational, economic, legal, technological and social aspects of the enterprise. Thus, adaptation of enterprise activity to changes should be considered not from three parties, but from four: organizational, economic, legal, technological and social. Only such an integrated combination of directions and components in the management of adaptation will enable the effective management of such adaptive changes in the enterprise. In this case, all aspects of the company's activity in the market conditions will be systematically taken into account.

It should be noted that the management of adaptation to changes in enterprises focuses on two main dimensions:

- Management adaptation to changes arising from control of planned actions that may occur regularly or scheduled basis;
- management of adaptation to changes arising as a result of actions which are completely uncontrolled by the enterprise, which may occur unsystematically, unplanned.

In the future, we focus on the main components that need to be clearly taken into account when developing managerial decisions when shaping the mechanism for adapting enterprises to change. The process of making a managerial decision involves the presence of such components in the opinion of the author<sup>1</sup> and some of their own considerations:

1. The subject of management decision-making is a person or group of people who have the necessary authority to make a decision and who are responsible for it. With large volumes of enterprises, the number of subjects of decision-making increases, which can complicate the process of making such decisions in order to create a mechanism for adapting enterprises to change.

2. Managed variables – a set of factors and conditions that cause the emergence of one or another problem, which can be managed by the subject of the management decision. In the previous sections, issues of managed and unmanaged changes have already been explored. Internal changes in most are managed by the enterprise, which simplifies the process of making managerial decisions on them.

3. Non-variables – situations that cannot be managed by the subject of management decision-making, but which can be controlled by other persons. Together with managed variables, unmanaged changes can affect the result of a choice, creating a background problem or its environment. Most of the external changes are unmanaged for the enterprise, but they can be partially predictable, which provides opportunities with a high probability of managing them.

4. Restrictions (internal and external) on the value of managed and unmanaged variables, which collectively determine the range of admissible values of the solution. The company limits itself to the restrictions when making managerial decisions. The most global and widespread constraints in shaping the mechanism of enterprise adaptation to change are the time and the level of risk when introducing changes.

5. Criterion (or criteria) for evaluating alternative solutions.

The criterion can be given by a quantitative model or qualitatively (in terms of individual preferences or in terms of fuzzy logic). The criteria for evaluating alternative changes are determined by the main four components of the mechanism of adaptation of the enterprise to changes, which makes the picture of the selected changes more transparent and understandable then for the personnel of the enterprise.

6. The decisive rule (or system of decisive rules) is the principles and methods of choosing the solution that results in applying recommendations or recommended decisions (although the final choice remains with the decision maker).

7. Alternatives (possible results), depending on both the values of qualitative or quantitative managed and unmanaged variables, and on the choice itself.

8. Decision that involves the existence of at least two alternatives to behavior (otherwise the problem of making a managerial decision does not arise in the absence of choice).

9. Possibilities of implementation of the decision.

Summarizing the methods of substantiating managerial decisions, it should be emphasized that they are divided into two main groups: quantitative and qualitative methods. The combination of two groups of methods provides the opportunity to obtain qualitative results of the justification, it is impossible to apply only quantitative or qualitative methods of substantiation of managerial decisions.

Thus, the process of making a managerial decision to create a mechanism for adapting the enterprise to change should not only be based on the basic clear methodological principles of its formation, but also take into account the main components that need to be taken into account in the general use of the theory of making managerial decisions. The mechanism of adaptation of enterprises to changes is shaped in such a way that it deals with solving problem situations from different directions, which gives it significant advantages in implementing it in real practical activity of enterprises.

<sup>1</sup> Білинська, М. М. Ковбасюк, Ю. В. (2011). *Прийняття управлінських рішень: організаційно-психологічний аспект*. Київ: НАДУ, 58-59.

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