ECONOMIC PROCESSES MANAGEMENT international scientific e-journal (ISSN 2311-6293)

epm.fem.sumdu.edu.ua

 $N_{2}3 - 2016$

Cite This Article:

Khaustova K. M. Theoretical aspects of strategic adaptation management of enterprises [Online] // Economic Processes Management: International Scientific E-Journal. 2016. № 3. Available: http://epm.fem.sumdu.edu.ua/download/2016_3/epm2016_3_1.pdf

Received August 19, 2016

Accepted September 1, 2016

UDK 330. 3+658

JEL Classification: D04, D22, D24

THEORETICAL ASPECTS OF STRATEGIC ADAPTATION MANAGEMENT OF ENTERPRISES

Khaustova Ksenya Mykhailivna

PhD in Economics, Associate Professor,
Department of Management and Economic Management,
Mucachevo State University, Ukraine

In the article the theoretical foundations of strategic adaptation management as an actual approach to the management of enterprise under conditions that are constantly changing have been developed. The theoretical approaches to the definition of "adaptation enterprise" have been studied and systematized. The essence and principles of strategic management adaptation were expounded. The model of strategic management was improved through the introduction of continuous monitoring and evaluation of changes in the environment and the actual adjustments to the system and processes. The essence and features adaptive capacity of the enterprise as a key element of strategic management have been investigated.

Keywords: strategic management, adaptation, adaptive process, adaptive capacity, adaptation principles, adaptive abilities, potential, crisis center, goals, strategies, strategic plan.

Introduction. Modern conditions of business are characterized by high rates of change in all areas of management. The effectiveness of the enterprise in the process achieving strategic objectives depends on the strategic level of management and availability of mechanisms for the prevention, timely response and adaptation of the economic system to the most notable changes in the environment. In practice activity of the most successful foreign and domestic companies was proved, that a strategic approach is effective concept of business management in the long term. However, the current challenges faced by domestic companies, require adaptation of the classical theory of strategic management to rapidly changing operating conditions. This is requiring of new theoretical and methodological solutions that take into account the specificity of enterprises in the new market economy and the in crisis of the macro environment. Therefore, the study of strategic issues of development adaptive enterprise is a pressing and urgent problem.

Analysis of recent researches and publications. Problems adapting enterprises to

international scientific e-journal (ISSN 2311-6293) epm.fem.sumdu.edu.ua

 $N_{2}3 - 2016$

environmental conditions are the subject of research of many foreign and domestic scientists. Great contribution to the formation of the concept of adaptation have been made by foreign and domestic scientists, from which in this work we have used conceptions of N. Biloshkurskoyi [2] T. Zhdamirova [4] N. Zyablytskoyi [2] L. Kalinichenko [7] T. Lepeyko [8], I. Tyukina [12] and others. However, until the present have been not investigated all issues of strategic approach to adaptation of enterprises.

Theoretical and practical bases of strategic management in a conditional of changing were thoroughly examined by the I. Ansoff [1] P. Drucker [2], D. Giovani and F. Malerba [6] E. Kaylyuk, V. Andreev, V. Grinenko [11]. In much work of leading scientists detail the conceptual approach to strategic management. However, the rapid response mechanism and enterprise adaptation to changes in external conditions, which may result in the need for strategic maneuver, viewing of purposes and transformation processes within the company, adjusting the overall direction was not systematically covered.

Main purpose of the article. There are studies of theoretical approaches of strategic and adaptive management in order to integrate them into a single process to ensure effective development of the company and achieve its long-term objectives in the face of a changing environment.

discussions. **Results** and Strategic management have recognized as one of the most effective methods of leadership. The concept of strategic management, as a new paradigm that is focused on "market tomorrow" had appeared in the early 70 of the XX century. One of the founders of the modern theory can be considered I. Ansoff [1], which in 1979 had published the book "Strategic Management". The basic idea was that strategic management is a unique vector of development which, in contrast to earlier concepts, directed from the future to the present. Since the 70-80 years of century, concept of strategic XXthe

management has proven its effectiveness in practice of world famous corporations "IBM", "General Electric", "Coca-Cola" and other organizations.

In the new concept started to develop new methods and technology management: building of scenarios using expert estimates, the models for the analysis and development plans on situational basis, the construction of matrices of various variants of economic decisions, etc. [11]. Today, a broad base of theoretical and practical methods, tools and methods of strategic management and implementation of changes have been developed.

However, the development of scientific and technological progress in all areas, the rapid spread of communications technologies, as well as political, demographic and market processes increasingly difficult to predict and develop effective long-term strategy. The survival and success of the organization in these conditions requires not only well grounded strategies, and creation (or reorganization) of enterprise, giving it the ability to quickly change according to existing or potential changes in the environment, without losing its essential purpose. This requires further evolutionary development theory and practice of strategic management on adaptive tools.

It should be noted that the concept of adaptation – is one of the major scientific issues and covers almost all areas of research. For the first time the concept of adaptation had appeared in biology to describe the construction and function of organisms and their teams to constantly changing conditions of existence, and the process of developing new features that allow you to exist in the new environment.

Over time, the concept of «adaptation» and his interpretation was multifaceted and has been widely used in various fields of science. Therefore, investigating the adaptation we do not open the new process, but we make it a broader meaning for modern conditions [4, p. 95].

In the broadest sense, adaptation is interpreted as adaptation process or the ability

international scientific e-journal (ISSN 2311-6293)

epm.fem.sumdu.edu.ua №3 – 2016

to adapt of the subject and its individual personality to the terms changing; ability to interact with these conditions and converts them in order to maintain the dynamic equilibrium in the domestic system.

Thus, one could argue that adaptation is the condition for the survival main development of enterprises in variable environmental conditions. Adaptation is a form of reflection of current enterprise and its structural unit's mechanisms to influence the market environment, which seeks to establish a balance in relations in the market [11, p. 4].

Scientific studies have shown that single approach to defining the essence of adaptive management and its mechanisms is absent. For example, A. Tsybizov [13] defines adaptive management as non-stationary and variable strategy, achieves management which objectives by rules which are not assigned in advance. However, this approach focuses the company more on situational leadership than strategic management. According to definition of L. Kalinichenko [7, p. 179], adaptation -is the process of developing and implementing actions to change the internal environment in accordance with requirements of the environment. Adaptive management is considered from the standpoint of the process approach in the works by K. Chyzhenkova [14] and N. Biloshkurska [2].

Adaptive management as a multi-system that covering products, markets, technologies. coordination and consistency in decision optimal estimation problems, making, development of specific actions – is a vision of P. Druker in its work "Effective Management" [3]. Through the prism of a systematic management approach the adapting is investigated also the works of N. Zyablynskoy [5] and I. Tyukina [12].

Therefore, the problem of adaptability management considered from different points of view:

- decision-making process and its implementation;
- both economic and administrative system that can vary according to the requirements of the environment;
- strategy that is formed in the process of achieving the goals based on situational approach.

We believe that each of these approaches is appropriate and reasonable, but the survival and development of the company in the long run requires the use of these approaches in combination.

Based on the research we can conclude that the adaptive management is a system of interrelated organizational functions and processes of continuous coordinated analysis of the relevant factors and responding to their impact by changing of internal environment according to external challenges, and in some cases – of targeting changes parameters of the environment according to the needs of the enterprise.

Develop of adaptation mechanism is the primary objective and the basis of strategic management in modern conditions. Successfully developed adaptive mechanism contributes to the flexibility of the company in the development and implementation of strategies that enables to minimize the negative impact of external threats and to respond to promising opportunities.

Thus, strategic management of adaptation should combine the principles of strategic and adaptive management so as to avoid a certain contradiction between them. We have summarized the principles of strategic and adaptive management on based of the literature sourses [1], [3], [4], [6], [7] that is presented in Table 1.

international scientific e-journal (ISSN 2311-6293)

epm.fem.sumdu.edu.ua

 $N_{2}3 - 2016$

Table 1. Principles of strategic management of enterprise adaptation

Principles of strategic	Principles of	The combination
management	adapting	of principles
	management	
The integrated approach to the	Continuous	Creating a database of information
organization	information support	about internal and external
	of management	environment of the enterprise, software
	process	for analysis reciprocal influence factors
Installation and	Alternative goals	Development of several variant of
implementation of goals		realization the goals of higher level
		through achieving targets lower levels
		by various ways
Implementing of innovation	Monitoring of the	Continuous research of innovations in
determining success	innovation in target	the field of enterprise activities and
	markets	related fields, learning and
		implementing
Principle synergistic effect	Flexibility	Optimization of management through
	management system	towards the universalization of the
		structural units.
Focusing on the human	Promote the	Creating conditions for the
potential	development of	development of creative and
	creative and	intellectual abilities and the system of
	intellectual abilities	continuous training.
Strategic planning	Management on the	Formation of plans, as varied scenarios
	basis of case	and creating system of estimation
		control of success

The classical model of strategic management provides a consistent process of the following stages: formulation mission, setting goals, strategic analysis of factors of internal and external environment, development on these basis strategies, formalizing strategic plans and organization of their implementation. The links between these stages are information flows and strategic control of implementation of strategic plans. In establishing certain inconsistencies between decisions and realization of plans, administration makes adjustments in strategies, some of processes or targets that are providing the company some flexibility. The advantages of the classical approach are: controlling of processes, the relative stability of the system and predictability of development.

However, current conditions are characterized by such rapid changes in all areas

of the company that any unpredictable set of factors called "strategic surprises" can doing the strategies and plans unsuccessful. Such conditions are threatening information overload for the company. The suddenness and the probability of large losses are recognized in the organization so widely that there is a threat of total panic. Worries about the preservation at the moment distracts from the everyday work of the organization – production, sales, distribution. There is a danger of inefficient decision-making.

In our view, to avoid or substantially mitigate the impact of unpredictable situations, it is necessary to transition from strategic management system based on reaction to changes to the strategic management system based on prevention and adaptation. In this case, the basic fundamentals of business that

international scientific e-journal (ISSN 2311-6293)

epm.fem.sumdu.edu.ua

 $N_{2}3 - 2016$

characterize the stability of the company remain. They are: economic and social efficiency, competitiveness, preservation and development that characterize the stability of the company. Therefore, the main purpose of strategic management of enterprise adaptation is the creation of adaptive capacity and management on strategic basis to ensure internal stability in the long run. The model of strategic adaptation management of enterprises is shown in figure 1.

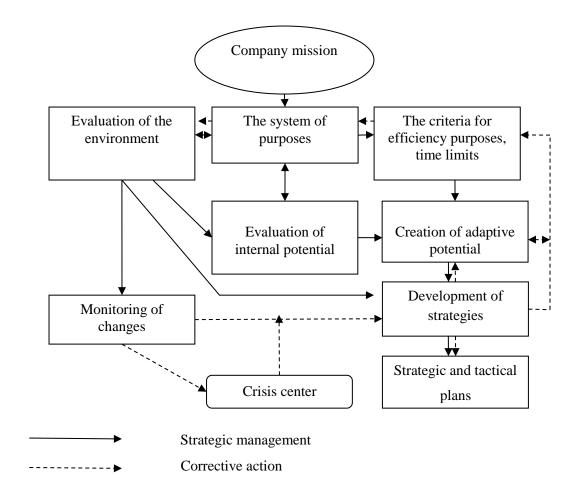


Fig. 1. Simplified model of strategic adaptation management*

Source: own development

Under the proposed model, strategic management is carried out by the classical scheme: choose the mission organizations (as the basis of its key features); creation the system of purposes and criteria's of their effectiveness at each stage of implementation; the analysis of domestic capacity and condition of relevant external factors. All these processes are necessary preconditions for developing a strategy that corresponds to the probability at

present set of circumstances. Based on the strategy, in turn, formed the strategic and tactical development plans.

Parallel process that always accompanies the strategic planning process is to monitoring the environment and its changes, and determining the impact of these changes in terms of implementing the strategy.

The corrective measures are implemented on based on the results of monitoring. Depending

international scientific e-journal (ISSN 2311-6293)

epm.fem.sumdu.edu.ua

 $N_{2}3 - 2016$

on the level of display external changes may need:

- tactical measures adjustment;
- changing of some processes;
- adjusting the internal potential;
- adjustments to the criteria or goals,
- setting new goals.

An important aspect of strategic management adaptation is creating a crisis center. Its activation starts on condition of a "strategic surprises" which require quick response and situational decisions.

The role of a crisis center can play a temporary expert group, which includes experts from different parts of the organization and, if necessary, external consultants. Besides of situational decision-making to the tasks of crisis center includ the stabilization of the company for avoid a panic situation. The work of crisis center may be governed by a protocol, designed or provision that changes the system of decision-making and leadership organization during unforeseen situations. The need in the crisis center can occur not only when "strategic surprise" arising from threats, but in the event of unforeseen opportunities that can help the company to make a "jump" in development.

The key factor of strategic management adaptation is to develop of adaptive capacity. As adaptive potential of enterprises we understand the level of consistency of elements and company subsystems, the possibility of internal variables to adapt to changes in the internal and external environment [10, p.158]. However, components of adaptive potential of the company must meet a number of the following characteristics:

- 1) compliance with the goals and objectives of the company that ensuring the avoidance of excess and shortage of some components;
 - 2) ability to developing and improving;
- 3) versatility of individual elements of capacity;
 - 4) capacity for transformation;
- 5) substitutability and the possibility to provide from external sources;
 - 6) ensuring synergetic interaction.

Level of adaptability potential of most domestic enterprises is extremely low due to the use of outdated capacity, conservative management systems and processes. Usually the adaptive reaction is local. The main responses to external influence are: the marketing events, certain changes in product mix, promotions and implementation of fiscal austerity regimes. However, these measures provide only a temporary effect and does not contribute to the adaptive capacity and ensure the development of the company in the long term.

Strategic management of adaptation is to build a completely new philosophy of existence, requires changing certain values and, above all, changes in systems and management paradigm. Creating adaptive mechanism involves optimizing the company business units, organizational structure and an effective system of information exchange, giving them new skills.

Technology adaptation process management covers the operations of the relationship, algorithms, cycles, stages, work procedures and regulations training, study and decision-making, building relationships in the system hierarchy in time and space and, most importantly, establish performance criteria and evaluation of the actions of all stakeholders adaptation, with the aim of motivating the most complete implementation of the mission and goals of the organization [8, c.246].

Depending on the scope and field of the enterprise can choose various options for increasing adaptive capacity. The most famous is functional-cost analysis, benchmarking and reengineering.

Conclusions and further researches directions. The development of the company and achieving goals is possible only if an effective system of adaptation to today's rapidly changing environmental conditions. In this case, the basic fundamentals of business remain: economic and social efficiency, competitiveness, preservation and development. It was established that the main goal of

international scientific e-journal (ISSN 2311-6293)

epm.fem.sumdu.edu.ua

 $N_{2}3 - 2016$

strategic management of enterprise adaptation is the creation of adaptive capacity and management on strategic basis to ensure internal stability in the long run.

The main feature of adaptation strategic management is complement classical model with the continuous monitoring of changes, determine the nature of their influence on the purposes and, if necessary, make the necessary adjustments.

The basic foundation of strategic adaptation management is a developing of adaptive capacity which is determined by the level of consistency and ability to change components in accordance with the new requirements. Due to the urgency of the problems of formation and use of adaptive potential of the company, the prospects for further research are the development of theoretical and applied aspects of assessment and systematization of its components. Due to the urgency of the problems of formation and use of adaptive potential of the company, the prospects for further research will be the development of theoretical and applied aspects of assessment and systematization of its components.

References

- 1. Ansoff, I. (1999). Novaja korporativnaja strategija [A new corporate strategy]. Piter Kom. [in Russian].
- 2. Biloshkurska, N. (2010). Modeli adaptyvnoi povedinky ta ikh rol' u formuvanni ekonomichnoi bezpeky pidpryiemstva [Models of adaptive behavior and their role in shaping economic security]. *Aktual'ni problemy ekonomiky, 12,* 101–104. [in Ukrainian].
- 3. Druker, P. Jeffektivnoe upravlenie (2001). Jekonomicheskie zadachi i optimal'n'ïe reshenija [Effective management. Economic problems and their solutions.] . FAIR-PRESS. [in Russian].
- 4. Zhdamirov, Y. (2010). Sutnist' adaptatsii upravlinnia funktsionuvanniam pidpryiemstv [The essence of adaptive management operation enterprise]. *Visnyk SNAU*, *9/1*, 93–101 [in Ukrainian].
- 5. Zjablickaja, N. (2004). Ob osobennostjah funkcij adaptivnogo upravlenija predprijatijami v so vremennyh uslovijah Rossii [Features of adaptive management in modern conditions of Russia]. *Vestnik altajskoj nauki*, 6, 153–159. [in Russian].
- 6. Giovani, Dosy, Franco, Malerba (1996). Organization and strategy in the evolution of the enterprise. *Edition: Associaciasione di Storia e Studi sull'Impresa*. [in English].
- 7. Kalinichenko, L. (2011). Adaptyvne upravlinnia pidpryiemstvom v konkurentnomu seredovyschi [Adaptive management of the enterprise in a competitive environment]. *Visnyk ekonomiky transportu i promyslovosti, 33,* 177–180. [in Ukrainian].
- 8. Lepejko, T., Kryvobok, K. (2015). Adaptatsijnyj potentsial pidpryiemstva v konkurentnomu seredovyschi [The adaptive potential of enterprises in a competitive environment]. *Ekonomichnyj analiz*, 20, 245–250. [in Ukrainian].
- 9. Onysko, S., Sholudko, O. (2012). Realizatsiia adaptyvnykh mozhlyvostej sil's'kohospodars'kykh pidpryiemstv [implementation of adaptive abilities agricultural enterprises]. *Ahrarna ekonomika*, 5 (1-2), 3–12.[in Ukrainian].
- 10.Stets, I. (2013). Adaptyvne upravlinnia potentsialom pidpryiemstva [Adaptive management of potential of enterprise]. *Ukrainska nauka:mynule,suchasne, majbutnie, 18*, 154–162. [in Ukrainian].
- 11. Kajliuk, Y., Andrieieva, V., Hrynenko, V. (2010). Stratehichnyj menedzhment [Strategic management]. Kharkovs'ka natsionalna akademija mis'koho. hospodarstva. [in Ukrainian].
- 12. Tjukin, I., Terehov, V. (2008) Adaptacija v nelineynyh dinamicheskih sistemah [Adaptation in nonlinear dynamical systems]. SPb.: LKI. [in Russian].

ECONOMIC PROCESSES MANAGEMENT international scientific e-journal (ISSN 2311-6293) epm.fem.sumdu.edu.ua

 $N_{2}3 - 2016$

13.Cibizov, A. (2009) Informacionnaja komponenta processa adaptivnogo upravlenija sovremennogo predprijatija [Information component of adaptive management process of the modern enterprise]. *Izvestija KBNC RAN*, 3(29), 34–39. [in Russian].

14. Chizhenkova, E. (2006) Formirovanie jekonomicheskogo mehanizma adaptacii hozjajstvujushhego sub'ekta k rynochnoj srede [Formation of the economic mechanism of adaptation of an economic entity for the environment]. Retrived from http://economy-lib.com/formirovanie-ekonomicheskogo-mehanizma-adaptatsii-hozyaystvuyuschego-subekta-k-rynochnoy-srede [in Russian].

ТЕОРЕТИЧНІ АСПЕКТИ СТРАТЕГІЧНОГО УПРАВЛІННЯ АДАПТАЦІЄЮ ПІДПРИЄМСТВ

Хаустова Ксенія Михайлівна

к.е.н., доцент кафедри менеджменту та управління економічними процесами, Мукачівський державний університет, Україна

У статті автором розглянуто теоретичні основи стратегічного управління адаптацією як одного з актуальних підходів до менеджменту підприємства в умовах, що постійно змінюються. Досліджено та систематизовано теоретичні підходи до визначення поняття «адаптація підприємства». Викладено сутність та принципи стратегічного управління адаптацією, удосконалено модель стратегічного управління на основі впровадження безперервного моніторингу та оцінки змін у середовищі й внесенні актуальних коректив у систему та процеси підприємства. Визначено сутність та ознаки адаптаційного потенціалу підприємства як ключового елементу стратегічного управління.

Ключові слова: стратегічне управління, адаптація, адаптаційний процес, адаптаційний потенціал, принципи управління адаптацією, адаптаційні здібності, кризовий центр, цілі, стратегії, стратегічні плани.

ТЕОРЕТИЧЕСКИЕ АСПЕКТЫ СТРАТЕГИЧЕСКОГО УПРАВЛЕНИЯ АДАПТАЦИЕЙ ПРЕДПРИЯТИЙ

Хаустова Ксения Михайловна

к.э.н., доцент кафедры менеджмента и управления экономическими процессами, Мукачевский государственный университет, Украина

В статье автором рассмотрены теоретические основы стратегического управления адаптацией как одного из актуальных подходов к менеджменту предприятия в условиях постоянных изменений. Исследованы и систематизированы теоретические подходы к определению понятия «адаптация предприятия». Изложена сущность и принципы стратегического управления адаптацией, усовершенствована модель стратегического управления на основе внедрения непрерывного мониторинга и оценки изменений в среде и внесении актуальных корректив в систему и процессы предприятия. Определена сущность и признаки адаптационного потенциала предприятия как ключевого элемента стратегического управления.

Ключевые слова: стратегическое управление, адаптация, адаптационный процесс, адаптационный потенциал, принципы управления адаптацией, адаптационные способности, кризисный центр, цели, стратегии, стратегические планы.