

THE ESSENCE OF THE ENTERPRISE'S CRISIS MANAGEMENT

Rudenko I.V.

PhD in Economics, Associate Professor,
Kharkiv State University of Food Technology and Trade

Harkusha N.M.

PhD in Economics, Associate Professor,
Kharkiv State University of Food Technology and Trade

Kolesnyk A.O.

PhD in Technics, Associate Professor,
Kharkiv State University of Food Technology and Trade

The purpose of the research paper is deepening of the theoretical foundations of enterprise's crisis management. The topicality of crisis management in the context of the political and economic instability of the business environment in Ukraine is grounded in the research paper. Problem issues which require further development and research were identified on the base of analyzing, systematizing and generalizing of the scientific works of many scientists. According to the State Statistics Service of Ukraine in 2010 – 2016 the share of unprofitable enterprises and the dynamics of the balance of their financial results before taxation were analyzed. It allows coming to the conclusion that sufficiently large number of Ukrainian entities are still in crisis and require timely development and implementation of measures aimed at preventing and overcoming the crises.

The study of the theoretical aspects of crisis management at the enterprise shows large number of interpretations and lively scientific discussion around the definition of this concept. The analysis of literary sources shows the existence of several basic approaches. Advocates of the first one believe that crisis management should be carried out when the enterprises is already in crisis condition and indices of its economic activity deteriorate significantly. Such approach considers the problem of the enterprises crisis state

coming as the fact. Accordingly, the crisis management intends to overcome the negative effects of ineffective management and incorrect assessment of the state of the enterprise business environment, which led to profound problems in its activities. In opinion of the second approach advocates, it is expedient to support the activity of the enterprise in stable state with disregarding threats and risks. Therefore, from this point of view, one of the tasks of crisis management is maintenance of the economic system in equilibrium with properly reaction to the threats of the environment. Under this approach, the essence of crisis management is in the scientific foresight of the crisis events, their complex assessment, as well as the development of the system of measures for preventing or eliminating the crisis with minimal losses for the enterprise. The third approach to determining the essence of crisis management emphasizes the need to prevent the crisis in the enterprise. In this version, we focus only on the crisis preventing, without taking into account the aspect of struggling with the existing financial crisis at the enterprise.

Under the summing up the various approaches, we come to the conclusion that the crisis management should combine measures for preventing the crisis emergence, maintaining the enterprise in stable condition and, if necessary, for helping out

of the crisis. Within the framework of crisis management, it is necessary to analyze the various scenarios of the events development and to develop an order of action in case of probable aggravations of contradictions

within the enterprise or with the external environment. These scientific achievements should become the basis for developing an effective mechanism for crisis management at modern enterprise.