

## DETERMINATION OF THE LEVEL OF STRATEGIC CAPABILITIES OF MACHINE-BUILDING ENTERPRISES

**Nosonova L.V.**

Registrar of the Faculty of Skills Upgrading,  
Sumy State University

The aim of the article is the improvement of methodical approach to analysis of the level of strategic capability of machine-building enterprises using matrix methods (SWOT- and SPACE-analysis).

Strategic capability of an enterprise is the availability of sufficient resources and competencies for development and implementation of the strategy that strengthens its competitive position.

The main tasks of the strategic analysis are as follows:

- determination of the level of competitiveness and advantages of the competing companies;
- analysis of the external environment, macroeconomic trends and their impact on the future development of the enterprise;
- analysis of the internal environment, staff capacity and structure of the enterprise.

At formation of the strategic alternatives and at the choice of specific development strategy, the formal models (experience, product life cycle, life cycle of technologies, product-market, etc.) and matrix models (BCG model, GE/ McKinsey, Shell/ DPM, Hofer/ Schendel, ADL/ LC, SWOT- and SPACE- analyses) are used.

SPACE-analysis is the matrix method of strategic analysis, which consists in building a matrix, where the factors of external environment (attractiveness of the industry – IS and stability of the environment – ES), and internal environment (financial condition of the enterprise – FS and competitive advantages – CA) are reflected. Through the building of the coordinate system (xy), the

experts determine the position of the enterprise on the market, strategic alternatives of its development and methods of their realization. Each quadrant of the built matrix is the corresponding type of conduct of the enterprise: aggressive, conservative, defensive or competitive.

In the research study for conducting the SPACE-analysis the author used the results of the SWOT-analysis of JSC “Nasosenergomash Sumy” held for 3 years: 2011, 2012, and 2013. And the conducting of SPACE-analysis was divided into 2 stages:

- using as criteria repeated internal factors (strengths and weaknesses of the enterprise) and repeated factors of external environment (opportunities and threats) to determine the main strategy of the company – SPACE1-analysis;
- using as criteria non-repeated internal factors (strengths and weaknesses of the enterprise) and repeated factors of external environment (opportunities and threats) to predict the strategic condition of the enterprise for future periods and adjustment of the main strategy of the enterprise in accordance with the obtained results – SPACE2-analysis.

Thus, the integrated use of SWOT- and SPACE-analyses in present format allows not only determining the market position of machine-building enterprises in the competitive environment and assessing their strengths and weaknesses, opportunities and threats but also determining the factors that may lead to threat of development in the future.

So, the improved methodological approach to the determination of the level of the strategic capability of machine-building enterprises based on the phased use of the SWOT- and SPACE-analyses allows identifying possible manifestations of crises in future periods and adjusting the current development strategy when needed.