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INTERNAL PLANNING AND ORGANIZATION OF INNOVATIONS IN ENTERPRISE ECONOMIC MANAGEMENT

ВНУТРІШНЄ ПЛАНУВАННЯ ТА ОРГАНІЗАЦІЯ ІННОВАЦІЙ УПРАВЛІННЯ ЕКОНОМІКОЮ ПІДПРИЄМСТВА

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The reform of economic management systems should be recognized as a long-term process, with gradual enhancements and innovations made in practical application, ultimately promoting sustainable enterprise development. This study delves into the internal mechanics of enterprise economic management innovation, primarily examining the aspects of planning and organization, within manufacturing enterprises like Midea Group. This paper extensively explores the relationship between the formulation and management of long-term and short-term plans, the philosophy of management, the current state of production management, and the overall development strategy within the field of enterprise economic management. It primarily emphasizes the following three points: 1) Enterprises must adjust their management philosophy to align with their development trajectory, the dynamically changing market competition landscape, and the evolving contours of the contemporary environment; 2) The trajectory from low-efficiency to high-efficiency production management is closely linked to the production budget and decision-making processes of enterprises; 3) The prevalence of internal strategic management within enterprises and the optimization level of resource allocation play a pivotal role in measuring the innovation quotient of internal planning management. Simultaneously, this paper places significant emphasis on the analysis of organizational innovation structures, indicating that enterprises should establish sound management systems to enhance internal efficiency and competitiveness. Moreover, enterprises should align themselves with market dynamics and trends, avoiding risky behaviors to ensure the long-term success of economic management practices. Additionally, enterprises must continually innovate and adjust organizational structures to adapt to market changes and development requirements, thereby achieving sustained growth.

Key Words: innovation, innovative development, globalization; management, enterprise management; sustainable development.

Данна стаття присвячена питанням інноваційного розвитку підприємств з метою досягнення ними сталого розвитку. В процесі дослідження авторами було з'ясовано, що реформування систем управління економікою слід визнати довгостроковим процесом із поступовими вдосконаленнями та впровадженням інновацій у практичне застосування, що зрештою сприяє сталому розвитку підприємства. Це дослідження заглиблюється у внутрішню механіку інновацій у управлінні економікою підприємства, в першу чергу розглядаючи аспекти планування та організації на таких виробничих підприємствах, як Midea Group. У статті досліджено взаємозв'язок між формулюванням та управлінням довгостроковими та короткостроковими планами, філософією менеджменту, поточним станом управління виробництвом та загальною стратегією розвитку в галузі управління

економікою підприємства. Автори наголошують на таких основних моментах: 1) підприємства повинні скоординувати свою філософію управління відповідно до траєкторії свого розвитку, динамічно мінливої ринкової конкуренції та сучасного середовища; 2) траєкторія від низькоефективного до високоефективного управління виробництвом тісно пов'язана з виробничим бюджетом і процесами прийняття рішень на підприємствах; 3) поширеність внутрішнього стратегічного управління на підприємствах і рівень оптимізації розподілу ресурсів відіграють ключову роль у вимірюванні інноваційного коефіцієнта управління внутрішнім плануванням. Водночас, ця стаття приділяє значну увагу аналізу організаційних інноваційних структур, вказуючи на те, що підприємства повинні створити надійні системи управління для підвищення внутрішньої ефективності та конкурентоспроможності. Крім того, підприємства повинні узгоджувати свою діяльність з ринковою динамікою та тенденціями, уникаючи ризикованої поведінки, щоб забезпечити довгостроковий успіх методів економічного управління. Отже доведено, що підприємства повинні постійно впроваджувати інновації та коригувати організаційні структури, щоб адаптуватися до змін ринку та вимог розвитку, досягаючи таким чином сталого зростання.

Ключові слова: інновації, інноваційний розвиток, глобалізація; управління, управління підприємством; сталий розвиток.

General problem statement. In the context of globalization, the innovation of an enterprise's internal economic management is of paramount importance. Unlike the traditional division of management functions, the establishment of an effective economic management system often requires a prolonged phase of practical implementation. Many enterprises initially prioritize production efficiency, leading to the gradual development of an economic management system centered solely on efficiency and production capacity as key metrics. While such a system may ensure short-term stability and mitigate immediate risks, it often struggles to adapt to the rapid waves of innovation in today's evolving economic landscape. It is imperative for enterprises to fully grasp that the innovation of the economic management system is indispensable for long-term success, especially within the global context, necessitating a thoughtful approach to adapt these systems to navigate the challenges posed by new economic dynamics and market environments. This study delves into the internal mechanics of enterprise economic management innovation, primarily examining the aspects of planning and organization, within manufacturing enterprises like Midea Group (Stock Code: C000333).

Analysis of recent research and publications concerning discussion. Against the backdrop of the active globalization and flourishing development of the Chinese economy, innovation in internal economic management within enterprises emerges as critically imperative for their sound development. Cao. X; Li. L and Guo. L aims to delve into strategies for internal planning transformation in enterprise economic management, with the ultimate goal of ensuring the robust growth of the enterprise's management philosophy, production management, and overall development strategies.

In the contemporary context, Wang. X; Yin. H and Wu. W conducted a comprehensive exploration of the innovative analysis in enterprise economic management and strategic decision-making methodologies.

Formulation of the article's purposes. In the context of globalization, certain enterprises have undergone a significant transformation in their production and operational focus. However, they have concurrently retained outdated economic management models, resulting in a mismatch between practical implementations and established frameworks. It is crucial to note that discarding the existing economic management framework is not a viable solution. This research endeavors to explore how enterprises should exert efforts to align current systems with the evolving demands of development, avoiding excessive reliance on outdated methodologies that may impede progress.

The main research material mentioning justification of the scientific results obtained. Within the realm of enterprise economic planning management, the formulation of both long-term and short-term internal plans primarily hinges on factors such as management philosophy, the current state of production management, and the overarching enterprise development strategy.

As evident in Table 1, the evolution of enterprise management concepts is primarily influenced by factors encompassing the objectives of A1 enterprises, competitive strategies in core business sectors denoted as A2, and the scrutiny and anticipation of changes in external environmental factors concerning A3 enterprises. Furthermore, the budgetary processes within A4 enterprises and the strategic decision-making methods employed by A5 enterprises have profound implications on the foundation of enterprise contingency planning and production

Table 1

Basic information of enterprise plan management

Name	Degree	Frequency	Percentage (%)	Cumulative percentage (%)
A1	5	187	33.10	33.10
	4	180	31.86	64.96
	2	94	16.64	81.59
	3	67	11.86	93.45
	1	37	6.55	100.00
A2	4	188	33.27	33.27
	5	186	32.92	66.20
	2	92	16.28	82.48
	3	60	10.62	93.10
	1	39	6.90	100.00
A3	4	193	34.16	34.16
	5	187	33.10	67.26
	2	80	14.16	81.42
	3	61	10.80	92.21
	1	44	7.79	100.00
A4	5	181	32.04	32.04
	4	177	31.33	63.36
	2	91	16.11	79.47
	3	78	13.81	93.27
	1	38	6.73	100.00
A5	4	182	32.21	32.21
	5	177	31.33	63.54
	2	105	18.58	82.12
	3	67	11.86	93.98
	1	34	6.02	100.00
A6	5	188	33.27	33.27
	4	181	32.04	65.31
	2	99	17.52	82.83
	3	62	10.97	93.81
	1	35	6.20	100.00
A7	5	194	34.34	34.34
	4	174	30.80	65.13
	2	97	17.17	82.30
	3	60	10.62	92.92
	1	40	7.08	100.00
A8	5	199	35.22	35.22
	4	173	30.62	65.84
	2	84	14.87	80.71
	3	59	10.44	91.15
	1	50	8.85	100.00
Total		565	100.00	100.00

Source: Option shows development level, 1 indicates low level of development and 5 indicates high level of development

management. The following analysis elaborates on these facets:

Adaptation to Changing Paradigms: Enterprises must adapt their management concepts to align with their growth trajectory, the evolving landscape of market competition, and the shifting contours of the contemporary era. Analysis reveals that a substantial portion, approximately one-third, of enterprises still cling to relatively outdated management paradigms. These entities, operating under the new economic normal, often struggle to keep pace with dynamic market competition and the zeitgeist, hindering their capacity for innovative internal planning management. To thrive in this new era, enterprises must recognize the criticality of embracing innovative management approaches. They need to shed the myopic pursuit of short-term gains, embark on long-term planning with vision, and fully grasp the significance of economic management. The innovation of economic management methodologies should encompass process optimization, resource utilization enhancement, rigorous cost control, and the maximization of economic gains. Additionally, fostering employee quality, instituting incentive mechanisms tailored to the enterprise's unique context, and fostering a cohesive and proficient management team are imperative for bolstering overall competitiveness and sustaining enterprise growth. Active participation in market competition, robust marketing initiatives, brand elevation, and market share expansion are essential strategies for bolstering enterprise sustainability.

Enhancing Production Management Efficiency: The trajectory from low to high-efficiency production management is closely intertwined with an enterprise's production budgeting and decision-making processes. The analysis indicates that, for most enterprises, the effectiveness of these processes remains suboptimal, with budgeting and decision-making exerting limited guiding influence on production management development. Effective production planning management assumes a pivotal role in helping enterprises adapt to the market milieu. Strengthened production planning can elevate an enterprise's developmental trajectory and bolster its ability to navigate the market's myriad risks and challenges. Furthermore, economic management significantly impacts an enterprise's capital management capabilities and core competitiveness, making it an imperative focus for innovation and development. To enhance production planning and economic management,

enterprises should prioritize feasible production plans, judicious resource allocation, production efficiency improvements, and product quality enhancements to meet market demands. On the economic management front, they need to bolster capital management, encompassing budgeting, cost management, and investment oversight to optimize capital utilization efficiency and mitigate economic management risks.

Strategic Management and Resource Allocation Optimization: The prevalence of strategic management within enterprises and the optimization level of resource allocation play pivotal roles in gauging the innovation quotient of internal plan management. Large enterprises tend to exhibit relatively robust strategic management visibility and resource allocation capabilities. Nevertheless, most enterprises lag behind in terms of strategic management, particularly concerning its influence on internal planning. Strategic management holds the key to an enterprise's long-term vitality, underpinned by the formulation of scientifically sound development strategies and plans, complemented by effective monitoring and adaptive mechanisms to realize enduring objectives. It serves as a linchpin for interdepartmental coordination, resource utilization efficiency, streamlined operational processes, and heightened performance standards. Hence, in the realm of enterprise operations and development, strategic management bears paramount importance in guiding internal plan management. The alignment of daily operations and development with enterprise development strategies is a cornerstone practice. Economic management is the fulcrum upon which an enterprise's operational efficiency pivots. Rational asset allocation through economic management enhances an enterprise's economic prowess, propelling its core competitive edge in the market and fostering continued growth. A robust economic management framework equips enterprises with a solid foundation, empowering them to navigate the competitive market environment effectively (Cao & Li, 2007).

Within the realm of enterprise economic internal organization management, the primary focus lies in orchestrating enterprise-wide organizational reforms. These reforms center on innovations in organizational structure, workflow processes, and interdepartmental coordination. The overarching aim is to align the organization with the strategic management objectives of the enterprise while concurrently enhancing the enterprise's economic performance.

Table 2

Basic information of enterprise organization and management

Name	Options	Frequency	Percentage (%)	Cumulative percentage (%)
B1	5	188	33.27	33.27
	4	172	30.44	63.72
	2	88	15.58	79.29
	3	78	13.81	93.10
	1	39	6.90	100.00
B2	4	206	36.46	36.46
	5	176	31.15	67.61
	2	91	16.11	83.72
	3	53	9.38	93.10
	1	39	6.90	100.00
B3	4	188	33.27	33.27
	5	183	32.39	65.66
	2	89	15.75	81.42
	3	66	11.68	93.10
	1	39	6.90	100.00
B4	5	184	32.57	32.57
	4	182	32.21	64.78
	2	92	16.28	81.06
	3	67	11.86	92.92
	1	40	7.08	100.00
B5	5	193	34.16	34.16
	4	169	29.91	64.07
	2	103	18.23	82.30
	3	65	11.50	93.81
	1	35	6.20	100.00
B6	5	186	32.92	32.92
	4	180	31.86	64.78
	2	105	18.58	83.36
	3	65	11.50	94.87
	1	29	5.13	100.00
B7	4	193	34.16	34.16
	5	176	31.15	65.31
	2	97	17.17	82.48
	3	61	10.80	93.27
	1	38	6.73	100.00
B8	4	200	35.40	35.40
	5	178	31.50	66.90
	2	98	17.35	84.25
	3	53	9.38	93.63
	1	36	6.37	100.00
B9	5	199	35.22	35.22
	4	175	30.97	66.20
	2	102	18.05	84.25
	3	49	8.67	92.92
	1	40	7.08	100.00
Total		565	100.00	100.00

Source: Option shows development level, 1 indicates low level of development and 5 indicates high level of development

Table 2 sheds light on the analysis of enterprise organizational structure innovation, primarily scrutinizing five facets: the organizational structure of B1 enterprises, the management span within B3 enterprise organizational structures, the adaptability of functional departments within B5, the unified command principle within B6 enterprise organizational structures, and the degree of decentralized management within B7 enterprise management. Furthermore, organizational work innovation is assessed via two focal points: the variance in activity arrangement within B4 enterprises and the job descriptions found in B8 enterprise roles. Finally, organizational coordination innovation revolves around two key aspects: the alignment between organizational structure and strategic management (B2), and the individual responsibilities and power dynamics (B9). These analyses reveal the following insights:

Dysfunctional organizational structures in enterprises pose challenges for the alignment of work arrangements and coordination among functional departments. The organizational structure (B1), management span (B3), adaptability of functional departments (B5), unified command principles (B6), and the degree of innovation in decentralized management (B7) all hover around one-third. Many enterprises struggle with establishing a well-structured organization due to limited professional expertise and a lack of emphasis on talent development within the management team. This deficiency impacts economic management activities within the enterprise. To enhance organizational structure and management, companies must bolster their talent pool, improve the professional skills of their management teams, optimize organizational structures, create efficient management mechanisms, and processes. This will result in a robust management system, enhancing internal efficiency and competitive capabilities.

Innovation in organizational work faces challenges in aligning with the evolving times and meeting the demands of enterprise activities and roles. Both the significant variance in activity arrangement (B4) and job descriptions (B8), at nearly 35%, indicate that innovation in organizational work within the enterprise's economy should not solely respond to current business conditions and needs. Pioneering innovation may strain resources, negatively impacting economic management. To navigate these challenges, enterprises should consider resource utilization and planning while aligning

with market dynamics and trends. This balanced approach will enable innovation within economic management, ultimately improving economic benefits and development prospects. Enterprises should exercise prudence to avoid risky behavior, ensuring the long-term success of their economic management practices.

The level of coordination between enterprise organization and strategic management, as well as plan management, serves as a fundamental determinant of organizational coordination and innovation. The high degrees of coordination between organizational structure and strategy (B2) and individual responsibility and power relations (B9) exceed 35%. The shift toward the new economic normal has exposed a disconnect between traditional enterprise organizational structures and contemporary trends, hampering market adaptability. Cumbersome functional departments necessitate interdepartmental cooperation, resulting in diminished efficiency, ambiguous roles, and internal conflicts, all detrimental to enterprise stability. As a remedy, enterprises must promptly adjust their internal organizational structures to preempt mutual blame-shifting and redundancy. Additionally, they should reconfigure interdepartmental relationships to streamline complex traditional structures. Such measures empower enterprises to better respond to market demands, align with current trends, facilitate seamless information exchange, and expedite decision implementation.

Moreover, they enhance decision-makers' capacity to absorb grassroots departmental insights and suggestions, enabling precise decision-making and fostering enterprise health and stability. In the current economic landscape, enterprises must consistently innovate and adapt their organizational structures to match market shifts and development requirements, elevating internal operational efficiency and management standards to achieve sustained growth (Guo, 2014).

Conclusions of the research and prospects for further development. In summary, effective economic management practices enable enterprises to build a strong financial foundation, navigate competitive markets, and drive sustainable growth. Key elements include prudent capital management, active participation in market competition, and optimizing organizational structures and processes. Adapting to changing market dynamics is essential for long-term success in today's evolving economic landscape.

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