

DETERMINING THE PHASE OF THE LIFE CYCLE AND THE OVERALL DEVELOPMENT STRATEGY IN CONDITIONS OF INSTABILITY

A necessary condition for the development of any sector of the economy is purposeful innovation. At the same time, the active economic activity of enterprises to some extent depends on the volume and forms of investment, because the latter form the production potential on a new scientific and technical basis, as well as determine the country's competitive position in world markets. The success of transformations, first of all in the spheres of economic, political and social life, the construction of a civilized society, depends on the intensity and efficiency of innovation processes.

All directions and forms of innovative activity of the enterprise are carried out at the expense of investment resources. The level of efficiency of not only innovative, but also all economic activity of the enterprise in many respects depends on the character of formation of these resources.

To make sound decisions about strategic goals, directions and to solve current problems of enterprises one should use the experience gained in the study of their organizational behavior and cyclical development, so it is important to identify certain patterns of cyclical development, identify key goals, strategies, needs, problems and ways to solve them depending on the stage of the life cycle and compare their compliance with the classical concept of the life cycle.

To determine the overall strategy of enterprise development and take into account additional factors of influence, it is advisable to identify repetitive and non-repetitive indicators of internal and external environments, followed by establishing links between them. Additional measures to determine the competitive advantages of the enterprise are the analysis of the competitive position of the industry, the value of the enterprise as a whole property, analysis of management and financial activities, economic security, etc. Such a comprehensive approach will provide an opportunity to assess the operating activities of the enterprise and provide an accurate and reliable assessment of its current state. However, in modern conditions, domestic business structures face problems that are beyond their influence, and therefore, although they have a number of strengths, opportunities and advantages in the domestic market, they still need help from the city authorities, in particular, new development strategies taking into account and limiting the influence of weaknesses and threats.

As a result of studying the patterns of cyclical development of domestic enterprises were identified and the features of their activities and strategies characterized depending on the stage of the life cycle, which are taken into account in the proposed methods to justify the choice of general strategies and strategic set.

The goals of the enterprise, its strategies and tools play a crucial role in shaping the life cycle of the enterprise, but there is an opposite relationship: the goals and strategies of the enterprise are chosen depending on the stage of its life cycle.

Necessary conditions for improving the efficiency of innovation are the focus of production on consumers and competitors and flexible adaptation to market conditions. To be successful, companies need to pay attention to the phases of the main life cycles of development. It should also be borne in mind that each phase is characterized by its own, unique set of areas of innovation. This requires a corresponding change in the strategy of innovative development of the enterprise. The main aspirations of managers should be aimed at maximum adaptation to changes in the market situation at each stage of the development life cycle. The ability to modify, move to higher stages of development or, conversely, to get into crisis, requires the company to change goals, strategies and ways to implement them. The study and consideration of theoretical, practical processes of cyclical development of enterprises will allow stakeholders to predict their condition in the future, managers to make informed management decisions. The task of developing systems for evaluating and managing the life cycle of enterprise development is important and relevant.

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Elizaveta Yakubova
Science tutor *L. Bedritskaya*
BSEU (Minsk)

CAN FDI BECOME A DESTROYER OF AN ECONOMY?

The purpose of this paper is to analyse the effects of FDI, define its role in world economic relationships and find out whether it can destroy economies.

Foreign direct investment is an investment in long-term economic interest. Usually, FDI is talked about in a positive way. In fact, FDI seems to be a useful tool to help middle income countries sustain and support growth. The contribution of FDI on growth seems to be paramount after the 2009 crisis whereby average growth is lower.

But as statistic shows, 45% of FDI-effects are negative. Among the cons of FDI-export in donor country are capital outflows (balance-of-payments imbalance); the loss of job creation potential; substitution of export goods; deindustrialization. As for the effects in recipient countries, according to the Marcusen-Horstmann-Venables model, with a decrease in the welfare of national companies and their subsequent ousting from the market, national enterprises cannot provide lower average costs due to economies of scale compared to multinational corporations. Besides, other negative effects can be seen: promoting goods into the market of the recipient country that have already passed their life cycle, as well as those discontinued as a result of identifying substandard