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ECONOMIC ESSENCE, CONTENT, AND THEORETICAL FOUNDATIONS OF ENTERPRISE COMPETITIVENESS

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Abstract. This paper examines the economic essence, content, and theoretical foundations of enterprise competitiveness. It provides a theoretical analysis of the key factors shaping enterprise competitiveness, sources of competitive advantage, and strategic directions for enhancing competitiveness. Furthermore, the significance of the resource-based view, industry competition theory, and innovative development in enterprise operations is substantiated.

Keywords: enterprise, competitiveness, competitive advantage, economic efficiency, innovation, resources, market, strategic management, product quality, labor productivity.

ЭКОНОМИЧЕСКАЯ СУЩНОСТЬ, СОДЕРЖАНИЕ И ТЕОРЕТИЧЕСКИЕ ОСНОВЫ КОНКУРЕНТОСПОСОБНОСТИ ПРЕДПРИЯТИЯ

Аннотация. В данной работе рассматриваются экономическая сущность, содержание и теоретические основы конкурентоспособности предприятия. Проводится научно-теоретический анализ основных факторов, формирующих конкурентоспособность предприятия, источников конкурентных преимуществ и стратегических направлений повышения конкурентоспособности. Также обосновываются ресурсный подход, теория отраслевой конкуренции и важность инновационного развития в деятельности предприятия.

Ключевые слова: предприятие, конкурентоспособность, конкурентное преимущество, экономическая эффективность, инновации, ресурсы, рынок, стратегическое управление, качество продукции, производительность труда.

Enhancing the competitiveness of enterprises under market economy conditions is one of the essential prerequisites for economic development. The intensification of globalization processes, increasing competition in markets, changing consumer demands, and the widespread adoption of digital technologies require enterprises to organize their operations efficiently. Under these circumstances, an enterprise's market position is determined not only by its production volume but also by product quality, pricing policy, innovative capacity, resource utilization efficiency, and the sophistication of its management system.

Improving enterprise competitiveness is directly associated with ensuring the stability of the national economy, modernizing production processes, expanding export potential, and increasing employment opportunities. In this regard, examining the economic essence of competitiveness, systematizing its theoretical foundations, and identifying the specific characteristics of its manifestation in enterprise operations are of considerable scientific and practical significance. The objective of this study is to provide a theoretical justification for the economic essence and content of enterprise competitiveness and to identify the priority directions for its enhancement.

Enterprise competitiveness, as an economic category, represents an enterprise's ability to achieve advantages over its competitors under market conditions, satisfy consumer demands, utilize available resources efficiently, and ensure sustainable long-term economic performance. This concept encompasses not only an enterprise's current financial results but also its capacity to adapt to changing market conditions, introduce innovations, and maintain opportunities for future development.

Various approaches to understanding competitiveness have been developed in the economic literature. In particular, M. Porter demonstrated that competitive advantage can be established through achieving cost leadership or differentiating products and services from those offered by competitors

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[1]. According to this approach, an enterprise must optimize production costs, improve product quality, and create additional value for consumers to achieve success in the marketplace.

Three fundamental dimensions can be distinguished when examining the economic essence of enterprise competitiveness. First, competitiveness reflects the efficiency with which an enterprise utilizes its available economic resources. Second, it represents the enterprise's market position, the demand for its products and services, and its competitive advantages relative to other market participants. Third, competitiveness determines an enterprise's capacity for long-term development, innovation adoption, and adaptation to changes in the external environment.

Consequently, assessing enterprise competitiveness solely on the basis of low product prices or superior quality is insufficient. The factors shaping competitiveness are interconnected and are collectively manifested through an enterprise's financial stability, human resource potential, technological capabilities, marketing activities, and managerial efficiency.

The resource-based approach is of particular importance in examining the theoretical foundations of enterprise competitiveness. According to this approach, developed by J. Barney, an enterprise's sustained competitive advantage is associated with its possession of resources that are valuable, rare, difficult to imitate, and characterized by limited substitutability [2]. Such resources include advanced technologies, highly qualified personnel, effective management systems, unique knowledge, business reputation, and well-established business relationships.

M. Peteraf's theoretical perspectives within the resource-based framework also emphasize resource heterogeneity among enterprises, the limited mobility of resources, and the conditions necessary for sustaining competitive advantages [3]. This approach demonstrates that enterprise competitiveness should be explained not only by external market conditions but also by an enterprise's internal capabilities and distinctive resources.

The second major theoretical perspective on competitiveness is the approach based on industry competition and the market environment. According to this perspective, an enterprise's economic performance depends on the intensity of competition within the industry, the potential entry of new competitors, the bargaining power of consumers and suppliers, and the availability of substitute products. Therefore, enterprises must systematically analyze competitors' activities, market demand, price fluctuations, and consumer behavior.

The innovation-oriented approach also plays a significant role in enhancing competitiveness. The introduction of advanced technologies into production processes, the utilization of digital management systems, the diversification and renewal of product portfolios, and the implementation of resource-saving techniques contribute to reducing production costs and increasing labor productivity. Innovation activity is of particular strategic importance in industries characterized by rapid product renewal and frequently changing consumer preferences.

A range of economic indicators can be employed to assess the practical dimensions of enterprise competitiveness. These include labor productivity, production costs, profitability, market share, export volume, product quality, efficiency of fixed asset utilization, and the share of innovative products in total output. However, evaluating these indicators separately does not provide a comprehensive understanding of an enterprise's overall competitiveness. Therefore, it is advisable to analyze them in an integrated manner, taking into account industry-specific characteristics and benchmarking performance against competitors.

The priority directions for enhancing enterprise competitiveness include modernizing production facilities, ensuring the rational utilization of resources, aligning product quality with international standards, developing highly qualified personnel, improving marketing activities, and digitalizing management processes. Furthermore, effective cost management, efficient investment allocation, and the establishment of long-term relationships with consumers contribute to strengthening competitive advantages.

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In our view, a comprehensive approach integrating external market factors with internal resource capabilities should be employed in assessing and managing enterprise competitiveness. Alongside current performance indicators, this approach should consider opportunities for innovative development, financial stability, and adaptability to market changes. Such an approach makes it possible to conceptualize competitiveness not as a short-term outcome but as a strategic process characterized by continuous improvement and development.

Based on the theoretical analysis conducted, the following conclusions have been formulated:

First, enterprise competitiveness represents a complex economic category that reflects an enterprise's competitive position in the market, the efficiency of economic resource utilization, and its capacity for long-term development.

Second, the theoretical foundations of competitiveness can be explained through the resource-based approach, industry competition theory, and concepts of innovative development. These approaches complement one another and demonstrate the necessity of jointly evaluating an enterprise's internal capabilities and external market conditions.

Third, modernizing production processes, introducing innovations, increasing labor productivity, improving product quality, and enhancing strategic management systems are essential for strengthening enterprise competitiveness.

Fourth, effective management of enterprise competitiveness requires the establishment of a comprehensive performance assessment system based on the integrated evaluation of economic indicators and their comparison with competitors' performance.

In general, enhancing enterprise competitiveness is an essential prerequisite for the sustainable development of the national economy, increased production efficiency, and the strengthening of the competitive position of domestically produced goods in both domestic and international markets.

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