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## **The improvement of strategic management of foreign economic activity of an industrial enterprise**

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**Abstract:** Strategic management of foreign economic activity of an industrial enterprise is performed by means of a wide range of techniques, methods and tools. For effective strategic management of foreign economic activity of an industrial enterprise has to be integrated into general system of management and direct the activity of an enterprise to foreign markets that will help to increase its general activity effectiveness due to foreign economic transactions. It conditions the necessity to research aspects of strategic management of foreign economic activity of an industrial enterprise aiming to expand its distribution areas and boost its profitability. The actuality of the topic, its significance for operation and development of industrial enterprises is caused by the necessity to improve the approaches to strategic management of their foreign economic activity.

**Keywords:** foreign economic, strategic, management, improvement

## Introduction

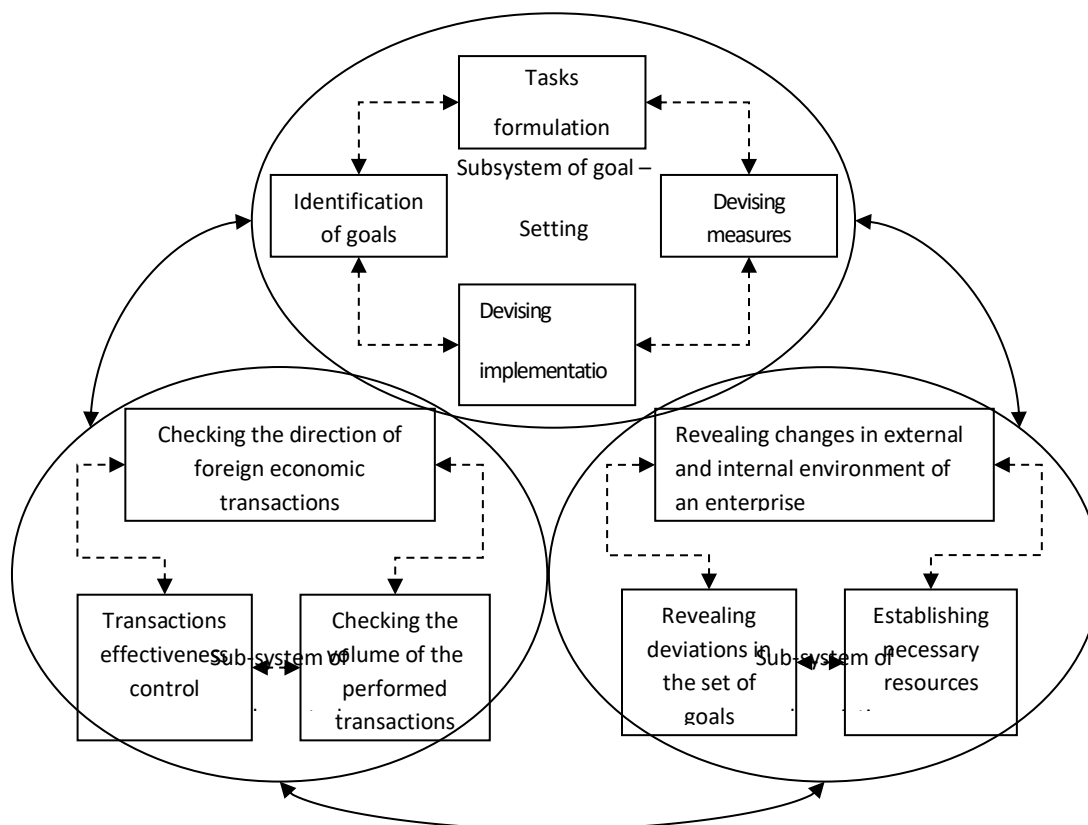
The conducted research present-day scientific and practical task as for the improvement of strategic management of foreign economic activity of an industrial enterprise , Explication of the management structure of an industrial enterprise allowed to regulate and establish in the standard of an enterprise the rules of description of functions of strategic management of an industrial enterprise. Regulation and establishment in the enterprise standard the rules of the functions of strategic management of foreign economic activity allowed to project organisational changes and orient the activity of an enterprise towards foreign markets.

## Research Results

Strategic management of foreign economic activity of an industrial enterprise requires using complex approach. For this purpose the content of organisational modelling of the strategic management system of foreign economic activity of an industrial enterprise has been improved on the basis of formation of analytical complex of subsystems of goal-setting, variation of goals and goals.

**Figure 1**

*Analytical complex of strategic management of foreign economic activity of an industrial enterprise*



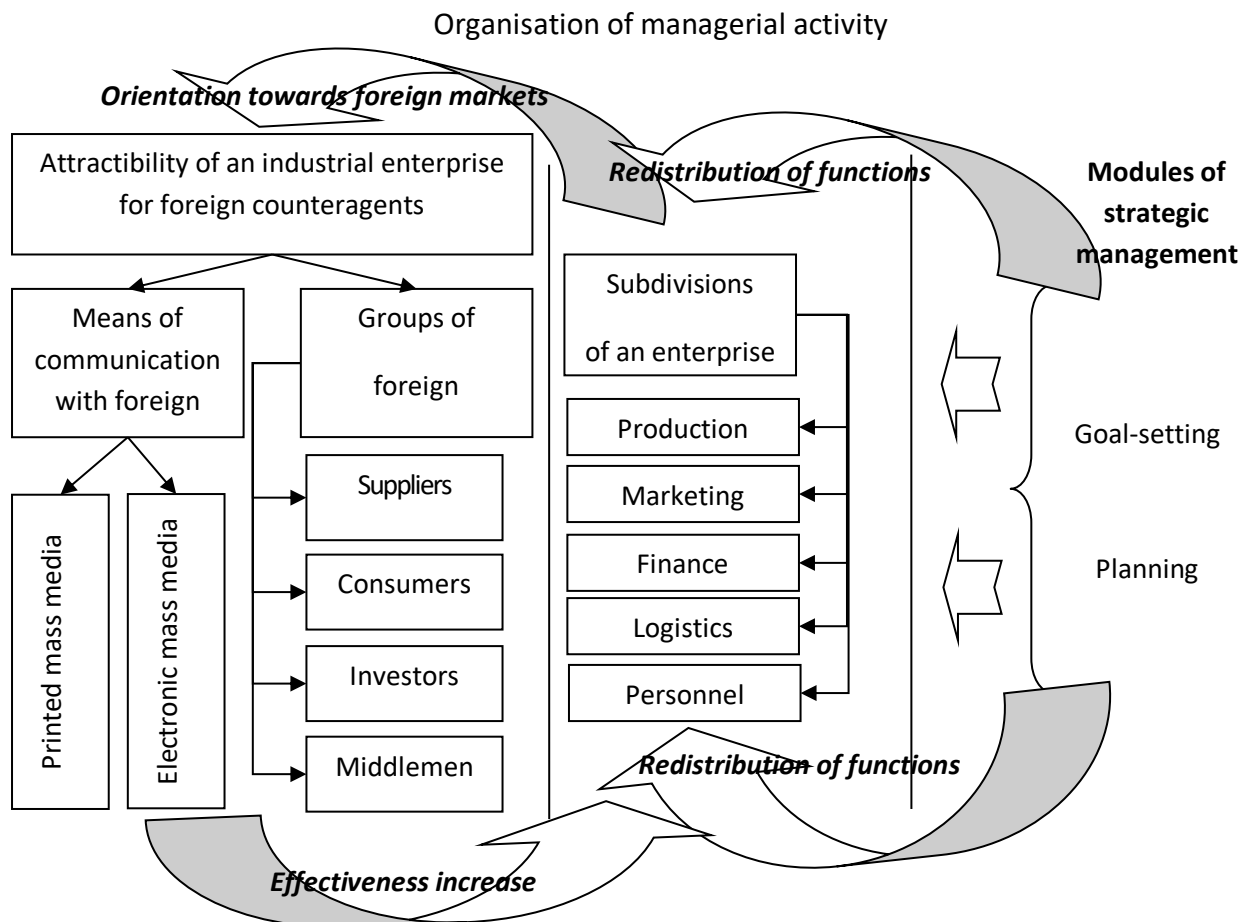
Source: author's own development

In the subsystem of goal-setting, the goals, tasks, measures and technologies of the performance of foreign economic transactions are identified; in the system of goals variation the changes in internal and external environment, necessary resources and deviations in the set of goals are identified; in the subsystem of goals control direction, effectiveness and volume of the performed foreign economic transactions of an industrial enterprise are checked. In the given work the organisation of managerial activity on an industrial enterprise has been improved by means of redistribution of strategic management

functions between the subdivisions of an industrial enterprise and designing tasks on monitoring results of foreign economic activity and the changes in its goals.

**Figure 2**

*Organization of managerial activity of an enterprise with the redistribution of strategic management functions between its subdivisions*



Source: author's own development

Organisation of management activity of an enterprise with the redistribution of strategic management functions allows to modify strategic plan in accordance with the results of foreign economic activity of an industrial enterprise and changes in the goals of its foreign economic activity. Monitoring the results of foreign economic activity, changes in its goals and strategic plan modification take place in compliance with the standard model of strategic planning which allows to estimate effectiveness increase of the strategic management system of foreign economic activity. Such increase is estimated by the sum of effectiveness increases of strategic management by means of strategic plan modification in accordance with the results of foreign economic activity of an industrial enterprise and changes in its goals. To prove the working hypothesis about the increase in effectiveness of the strategic management system by means of corrections made in the work it has been checked industrial enterprises. For these purposes factor model has been built:

$$\Delta SMSE = \Delta E1 + \Delta E2 ,$$

where  $\Delta SMSE$  – ( $\Delta$  strategic management system's effectiveness) – change of the increase in effectiveness of the strategic management system;  $\Delta E1$  – change of the effectiveness of the strategic

management system by means of strategic plan modification in accordance with the results of foreign economic activity of an industrial enterprise;  $\Delta E_2$  – change of the effectiveness of the strategic management system by means of strategic plan modification in accordance with the changes in the goals of foreign economic activity of an enterprise.

**Table 1**

*Change of the effectiveness of the strategic management system of foreign economic activity of industrial enterprises in Ukraine and Iraq*

Enterprise	$\Delta E_1$ , thous. UAH	$\Delta E_2$ , thous. UAH	$\Delta SMSE$ , thous. UAH
PAT Luhanskteplovoz	+3 025	+172	+3 197
VAT Stakhanovskyi vahonobudivnyi zavod	+704	-15	+689
DPAT Stakhanovskyi remontno-mekhanichnyi zavod	+25	+10	+35
Iraq's State Company for Automotive Industry	+13 015	+2 285	+15 300
Nasr State Company for Mechanical Industries	+7 042	+5 117	+12 159
Al-Ikhaa State Company	+ 6 015	+1 645	+7 660

Source: author's own development

The analysis of the changes of the effectiveness of the strategic management system of foreign economic activity of industrial enterprises in Ukraine and Iraq has shown that at all enterprises it takes place by means of the strategic plan modification in accordance with the results of foreign economic activity and changes in its goals. In general at the enterprises which have been analysed in Iraq the strategic management system has turned out to be more sensitive to the corresponding changes in comparison with the enterprises which have been studied in Ukraine.

## Conclusions

Substantiation of the reasonableness of the organisation of activity of an industrial enterprise with the purpose of orientation towards foreign markets allowed to improve the organisation of its managerial activity on the basis of redistribution of strategic management functions between subdivisions of an industrial enterprise and developing specific tasks on monitoring the results of foreign economic activity and changes in its goals. Organisation of managerial activity with the redistribution of managerial functions allows to modify strategic plan in accordance with the results of foreign economic activity of an industrial enterprise and changes in its goals, evaluate effectiveness of the strategic management system of foreign economic activity. On the basis of the developed analytical complex of strategic management of foreign economic activity of an industrial enterprise the content of organisational modelling of the strategic management system of its foreign economic activity has been improved. It allows to define the goals, tasks, measures and techniques for the implementation of foreign economic transactions, detect changes in internal and external environment, necessary resources and deviations in the set of goals, check their orientation, effectiveness and volume of the foreign economic transactions performed by an industrial enterprise.

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