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SYSTEM APPROACH TO THE STANDARDS HARMONIZATION AS A SUCCESSFUL EUROPEAN BUSINESS MODELS IN UKRAINE GUARANTEE

СИСТЕМНИЙ ПІДХІД ДО ГАРМОНІЗАЦІЇ СТАНДАРТІВ ЯК ГАРАНТІЯ УСПІХУ ЄВРОПЕЙСЬКИХ БІЗНЕС-МОДЕЛЕЙ В УКРАЇНІ

The article is devoted to the substantiation of a systematic approach toward the harmonization of standards as a guarantee of the success of European business models in Ukraine. The essence of business models and standards of modern enterprises is revealed. The role of harmonization of the standards in the formation and use of the European business model has been researched. It is proposed to consider the harmonization of the standards as a means of conquering new customers by the firm and a successful implementation of the business model, through which products or services enter the market with greater added value.

Considering the system approach, the following spheres of influence of standards are defined and grounded: at the enterprise level, business model and model of society. In the first sphere, the impact of standards is manifested mainly through the receipt of certificates for products and the achievement of economic stability. In the second area, the impact extends to the management system and primarily consists of building business relationships like B2B, as well as changing and improving the supply chain for the growth of value added. The third segment forms them as so-called enterprises of the new economy, which become the basis for preserving macroeconomic stability, provide smoothing of economic cycles, and ensuring stable rates of economic development.

Based on the study of world experience, it has been determined that the development and harmonization of standards should be considered from the point of view of the system approach, in particular, using the principles of synergy, innovation and morality of the business. Such a view of harmonization of standards led to the revision of existing business models, and to identify the one that demonstrates its success in the new economic environment.

It is proposed to use the integration type of the business model, which, provided the national standards are harmonized with the international ones, can ensure: the confidence in the successful management of the development of the enterprise and their access to international markets; the possibility of controlling the costs and terms of the implementation of technological projects; financial stability of the company.

Keywords: harmonization of standards, integration, European Union, European business models.

Стаття присвячена обґрунтуванню системного підходу до гармонізації стандартів як гарантії успіху європейських бізнес-моделей в Україні. Розкрито сутність бізнес-моделей та стандартів сучасних підприємств. Досліджено роль гармонізації стандартів у формуванні та використанні європейської бізнес-моделі. Запропоновано розглядати гармонізацію

стандартів як засіб завоювання фірмою нових клієнтів і успішної реалізації бізнес моделі, за допомогою якої продукти чи послуги виходять на ринок з більшою доданою вартістю. З урахуванням системного підходу визначено та обґрунтовано такі сфери впливу стандартів: на рівні підприємства, бізнес-моделі та моделі суспільства. У першій сфері вплив стандартів проявляється переважно через отримання сертифікатів на продукцію та досягнення економічної стійкості. У другій сфері вплив поширюється на систему управління та перш за все полягає у побудові бізнес-стосунків типу B2B, а також змінах й удосконаленні ланцюга поставок задля зростання доданої вартості. Третій сегмент утворюють їх як так звані підприємства нової економіки які стають основою збереження макроекономічної стабільності, забезпечують згладжування економічних циклів, забезпечення сталих темпів розвитку економіки.

На основі вивчення світового досвіду, визначено, що розроблення та гармонізація стандартів має розглядатися з позицій системного підходу, зокрема з використанням принципів синергії, інноваційності і моральності бізнесу. Такий погляд на гармонізацію стандартів спричинив перегляд існуючих бізнес-моделей, та надав можливість визначити ту, що демонструє свою успішність у нових економічних умовах.

З урахуванням викладеного вище, запропоновано використовувати інтеграційний тип бізнес-моделі, яка за умови гармонізації вітчизняних стандартів з міжнародними здатна забезпечити: впевненість в успішному управлінні розвитком підприємства та їх виходу на міжнародні ринки; можливість контролю над витратами й строками упровадження технологічних проектів; фінансову стійкість компанії.

Ключові слова: гармонізація стандартів, інтеграція, Європейський Союз, європейські моделі бізнесу.

Introduction. The potential of domestic business models is assessed to a certain extent from the point of view of the creation and effective functioning of the proper system of product and service standards in terms of integration of Ukraine into the EU and future international perspectives. In the practice of the EU, it is important, with the expansion of economic ties, to preserve the interests of the national commodity producer on the one hand, and, on the other, to consider the real economic possibilities of adapting the activities of domestic enterprises to European standards.

In this context, the construction of an effective system of standardization is an important element in the implementation of European business models in Ukraine, as most of the problems of domestic entrepreneurs are due to the considerable lag behind the EU countries due to the depth of socio-economic transformations, technical upgrading, which is also due to the lack of sufficient level financing for certification in accordance with the requirements of international standards or their harmonization with the EU standards. All the above stipulates reducing the competitiveness of domestic products on the foreign market from raw material producers to final products, and at the same time actualizing the problem of harmonization of the standards from the point of view of the system approach as the basis for the successful implementation of European models of doing business in Ukraine.

The study of theoretical and practical aspects of the construction and functioning of the system of harmonization of the standards at domestic enterprises is devoted to the work of D. Krysanov, Ye. Nesterenko, O. Sushko [1, 5, 6 and others]. Aspects of the use of European business models are highlighted in both foreign and domestic

scientific publications. This is stated in the writings of S. Lytvynska, L. Fedulova [2, 7 and others].

Despite some progress made over the last decade, this field of study contains a lot of outstanding issues, including problematic issues. Insufficient development of theoretical and methodological aspects of improving business models of enterprises, considering harmonization of the standards both for the production of products and marketing and service standards, as well as the special significance of solving the practical tasks of choosing a business model and its implementation at domestic enterprises, all of these led to the choice of research topic.

Setting objectives. The purpose of the study, the results of which are presented in the article, is to use a systematic approach towards harmonization of the standards in accordance with the requirements of European directives, which in turn will contribute to the successful use of European business models and the growth of volumes of trade between Ukraine and the EU.

Methodology. The theoretical basis of the study is the work about the theory and practice of using business models of foreign and domestic scientists, as well as scientific approaches to harmonizing domestic standards with the EU standards. Methodological basis of scientific research is chosen desk analysis and content analysis - in the process of studying documents on standardization; monographic - to study the experience and practice of business models; a comparative analysis - a comparison of the standardization systems of Ukraine and the EU, the study of mechanisms and their forms of influence on the development of business models.

Research results. In the context of integration of Ukraine into the EU, it is important, on the one hand, to respond flexibly and quickly to the needs of consumers, on the other hand, to act within the framework of relevant norms and directives. The EU standardization system is currently considered to be the most effective model for international cooperation, since it was originally created to form a single economic space. The effectiveness of harmonizing standards in accordance with the EU principles is confirmed by the existence of agreements on mutual recognition of conformity assessment results with countries such as the United States, Canada Australia, Japan, Switzerland, Israel. In the EU countries, the free movement of goods is based on the New Approach and the Global Approach. Such approaches are implemented through appropriate instruments - EU directives.

The principles of the "New Approach" are resulted to the following [3, 5, 7]:

- the product directives specify the general (essential) security requirements that are required to be fulfilled;
- the task of establishing specific characteristics is based on European standards that are voluntary for use;
- products that are manufactured in accordance with the requirements harmonized with the EU directive of European standards, are considered to comply with the essential requirements of the directive (principle of presumption of conformity);
- products can be placed on the EU market only after the conformity assessment procedure;
- market supervision is provided by state authorities.

The "Global Approach" implies the use of modules for the various stages of conformity assessment procedures, the establishment of common criteria for their use, and the appointment of special bodies that perform these procedures. The modular approach allows you to create a multitude of modules and thus increase the number of matching schemes, from which it is possible to select a scheme that is adequate to the level of potential risk of causing harm to specific products.

These basic principles define the standardization model in the EU countries. Since any enterprise is created to achieve certain goals (foremost, creation of added value and an increase of competitiveness), we consider it is appropriate to consider the notion of harmonization of the standards and functioning of business models inseparably. Changing approaches to the functioning of enterprises, the development of behavioral theory and integration into the world economic space necessitate the study of the practice of harmonization of the standards in the EU countries in the context of the effective functioning of European models of doing business.

At the beginning of the 20th century more and more new firms came to business, but they did not have enough financial resources and time to create in-depth development strategies, they began to use fast and efficient tools for profit (business models).

With the use of a business model, it is possible to describe the logic and methods of doing business, organizational structure, interaction with suppliers and consumers, and so on. In the world of practice, there are quite a few examples of companies that have successfully entered the market using their own business models (Southwest, Amazon, FedEx, Wal-Mart, McDonald's, IKEA, Enterprise, eBay, Priceline, Dell Computers, Starbucks, Skype, Groupon etc.) [4, 6].

At the same time, world market leaders have demonstrated with their practical experience that compliance with standards and directives is ineffective, it is only needed to obtain certain key competencies within the framework of efficiently created or developed business models. The business models enable firms to get profit by taking advantage of the added value chain.

However, summarizing their experience, one more important conclusion can be reached: standards should be the driving force behind the development of the enterprise, but they should be considered not as a basis for the strategy, but as a means of conquering new customers by the firm and successfully implementing a business model through which products or services enter a more value-added market.

Standard (in English standard – norm, model) in the broadest sense of the word - a model, standard, model, taken at the weekend for comparison with them, etc. similar objects. The standard can be developed as material objects (products, standards, samples of substances), as well as on systems, processes, activities in different fields [7].

The development of standards and their harmonization is an important element of the effectiveness of building a new socio-economic system, the driving force behind enterprise development and ensuring its competitiveness.

Standards affect three important models that are important for successful integration into the EU: 1) enterprise models; 2) business models; and 3) models of society (Fig. 1).

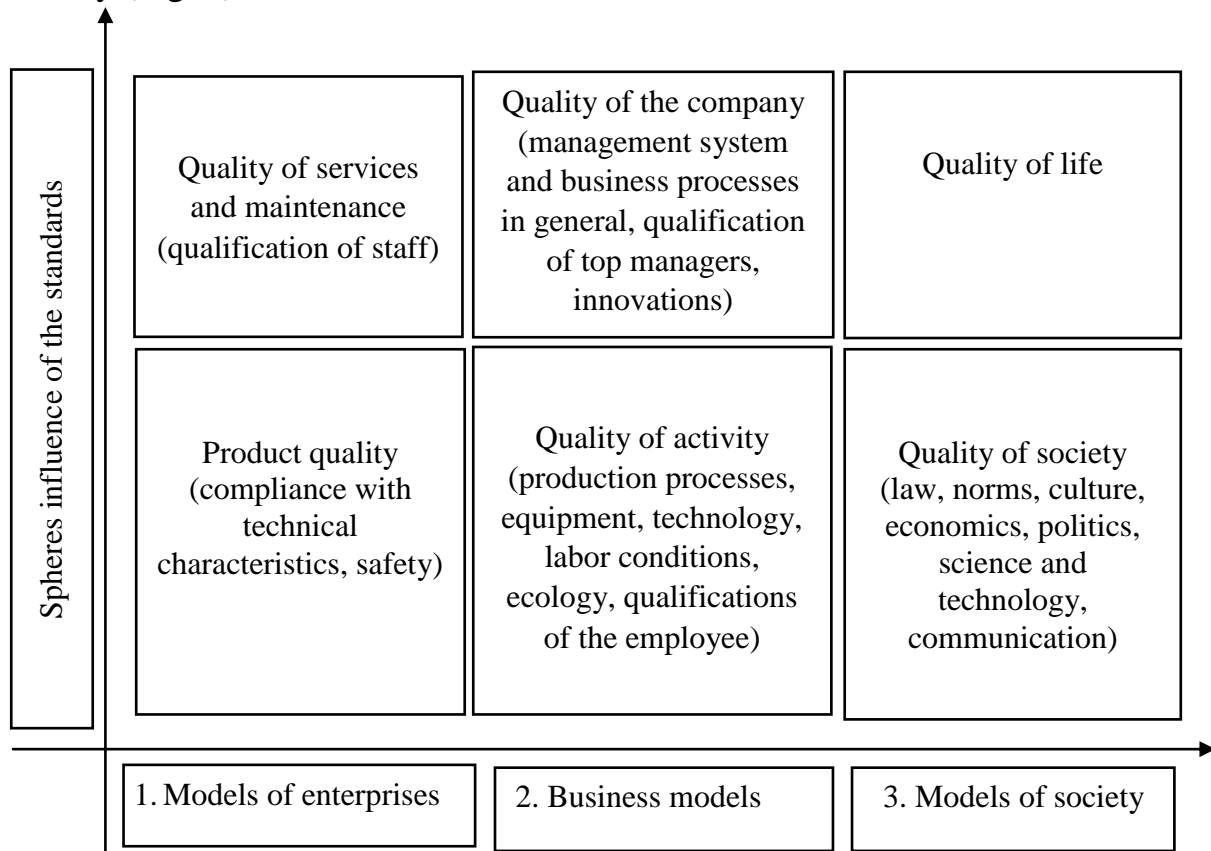


Figure 1 – Spheres of standards influence

Source: own preparation on the base of [1–7]

In the first sphere, the impact of standards is manifested mainly through obtaining certificates for the products and achieving economic sustainability, which will counteract the effects of shock, more effectively manage market, credit and operational risks. At the same time, the increased need for additional investment, especially in small and medium-sized enterprises, will result in lower profits, which may in some way affect the revision of business models by returning to simple business schemes.

In the second sphere, the impact extends to the management system and primarily consists of building business relationships like B2B, as well as changing and improving the supply chain for the growth of value added. In its turn the use of new business models leads to prospects for creating new sectors of the economy, accelerating capitalization processes, achieving sustainable economic development, strengthening consolidation and monopolization tendencies (crowding out weak and volatile enterprises).

The third segment forms them as so-called enterprises of the new economy, which become the basis for preserving macroeconomic stability, provide smoothing of economic cycles, and ensuring stable rates of economic development. The emergence of new sectors leads to structural changes in the entire economy and society.

Considering global experience, the development and harmonization of standards should be considered from the point of view of a systematic approach, using the principles of synergy, innovation and morality of business. The focus should also be on building an ideal creative organization with a high level of informatization, a developed internal culture and external communications, which will represent a certain symbiosis of the organic and anarchic culture with overcoming their limitations (Fig. 2).

Considering the integration of Ukraine into the EU, domestic enterprises are forced to adhere to international standards and look for such business models that provide flexibility and stability and enable them to respond quickly to new challenges. For Ukrainian enterprises, such protection measures are one of the key elements in supporting their competitiveness.

However, while choosing a business model, it is also necessary to consider the possibilities of the enterprise and the volume of investments. For example, main achievement of Apple was, foremost, the creation of new product standards by inventing a new combination of software, the device, and eventually a set of related services.

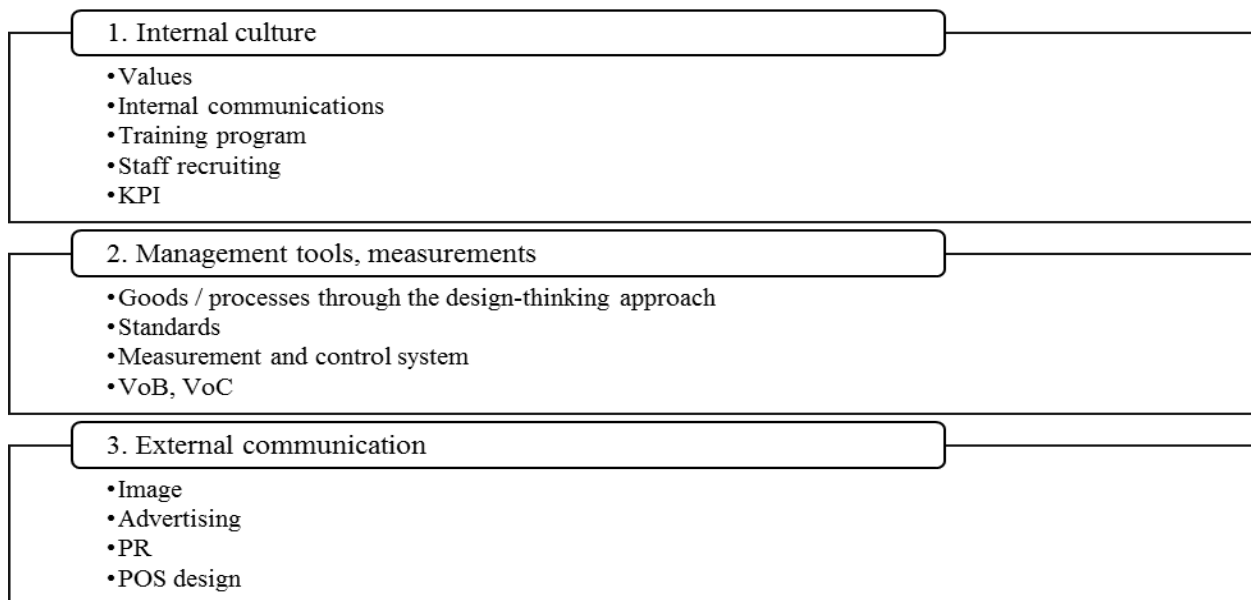


Figure 2 – Place of the standards in the system of communications and enterprise tools

Source: own preparation on the base of [1–7]

Improving the standards of service, marketing and logistics are important elements in creating another business model that demonstrates its success in fundamentally changing the way of delivering consumer value to the client and rebuilding the mechanism of interaction with it. An important role is played by the global network of customer support centers: the specialists of the company are ready to provide consumers with round-the-clock advice on the secrets of cooking.

As the tasks of automating business processes are complicated, there is a decrease in the total time of delivery, there is a need to optimize the interrelation between suppliers and enterprises, and control the movement of goods in the chain and track

the sources of added value, note that the use of a systematic approach to building business models provides an opportunity in a new way to perceive the market, to create and implement new effective tools of work while simultaneously coordinating them with the system of international and national standards. In this context, we agree with L. Fedulova that for the conditions of Ukraine the most effective for implementation is the integration type of business model.

The advantage of building this business model is the profit potential in the context of harmonization of the standards. Such kind of profit determines the following factors: efficiency; external predestination; uniqueness; ability to generate profits. Its elements are treated equally as a source of value added and the use of the standards, as well as the definition of essential, in terms of harmonization of the standards of junctions between individual elements of the system.

It is the combination of this model with the process of harmonizing domestic standards with the international ones to ensure: the confidence in the successful management of the development of the enterprise and their access to international markets; the possibility of controlling the costs and terms of the implementation of technological projects; financial stability of the company. In this case, the company acquires the status of an expert in all due to: 1) the need for quality control and observance of the established deadlines; 2) the need to enter the market quickly, considering their own key resources; 3) lack of connections in the business environment; "Curve of experience" in business at zero and so on.

Conclusions. Considering the conducted research, it is worth noting that business success is determined by the speed of responding to the challenges of the environment and using new opportunities and perspectives. Using new business models that provide the opportunity to attract new customers and create new markets is a must now. The experience of successful global companies confirms the importance of using a systematic approach to harmonize standards, creating a niche for them with high profits, implementing integrated business models and managing them effectively.

The element of scientific novelty is the proposed provisions on the identification of reserves for the improvement of business modeling of enterprises, which, in contrast to the existing ones, consider the systemic approach towards harmonization of the standards of Ukraine with the EU standards. The practical significance of the results is that their application to the activities of domestic enterprises contributes to the process of creating added value and adopting more reasonable management decisions on the selection and implementation of European business models. A promising direction for further research is the development of scientific regulations on the evaluation of efficiency (especially, cost, quality of service and efficiency) in modern business models.

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