

МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ
НАЦІОНАЛЬНИЙ УНІВЕРСИТЕТ ХАРЧОВИХ ТЕХНОЛОГІЙ
МІНІСТЕРСТВО АГРАРНОЇ ПОЛІТИКИ ТА
ПРОДОВОЛЬСТВА УКРАЇНИ
НААНУ ННЦ ІНСТИТУТ АГРАРНОЇ ЕКОНОМІКИ
ІНСТИТУТ ПРОДОВОЛЬЧИХ РЕСУРСІВ НААНУ

ПРОБЛЕМИ ЕКОНОМІКИ
ПІДПРИЄМСТВ В СУЧАСНИХ УМОВАХ

Матеріали X (Ювілейної) Міжнародної
науково-практичної конференції, присвяченої 130-річчю НУХТ

23-24 травня 2014 р.

Тези доповідей

Київ НУХТ 2014

EFFECTIVE STRATEGIC DECISION MAKING IN UKRAINIAN BUSINESS

O. Tur

National university of food technologies

Ukraine, like many other countries in the region and around the globe today, continues to face exceptional economic challenges. So far the country has weathered the storm better than many commentators had expected. Clearly, its geographic position and natural resources, as well as the “human factor”, have all played important roles in this achievement. Ukraine’s proximity to both the European Union and Russia, the sheer quantity of its consumers (nearly 46 million) and the physical size of the country make it an excellent location for businesses to expand both locally and regionally. Thus, the business in Ukraine is developed quite well at the same time it has a lot of problems solution of which can significantly improve the industry’s development. Therefore, we focus our attention on effective strategic decision making.

One of the essential parts of creating and running a business is creating a mission or vision for the business and a set of goals the company aims to achieve. Strategic decision making, or strategic planning, describes the process of creating a company’s mission and objectives and deciding upon the courses of action a company should pursue to achieve those goals.

A decision could be define as “the act of reaching a conclusion or making up one’s mind” [1]. Another “a position or opinion or judgment reached after consideration” [2]. In comparison with tactical decisions, that affects the day-to-day implementation of steps required to reach the goals, strategic decisions are “chosen alternatives that affects key factors which determine the success of an organization’s strategy” [3].

All the changes in the new environment made companies face many problems. In this situation, the effective and strategic management of these businesses was necessary. The strategic management process in a firm consists of setting the vision, mission and goals, analysis of external and internal business environment, selection of a favourable strategy, those links that constitute strategic planning and as well as proposals for organizational, administrative changes, setting measures on control systems and strategy implementation, which make the links to the implementation and evaluation of the strategy. These links are connected to one another and in general they create what is called Strategic Management Model. Skills are also very necessary to manage a company in a strategic way, such as creative thinking, working with persons and clients, planning and organization, managing and control of all company activities.

Managers in charge of strategic decision-making are capable of providing only satisfactory solutions to problems. Most human decision makers “whether individual or organizational, are concerned with the discovery and selection of satisfactory alternatives; only in exceptional cases are concerned with the discovery and selection of optimal alternatives” [4]. As a result, it appears that strategy must deal with that appears to satisfy a basic set of criteria.

Decision-making under uncertainty is the central idea in strategy and it consists

of lots of strategic decisions. The development of effective and successful strategies requires the development of three organizational skills:

- anticipating the shape of the uncertain future. This is no easy task since uncertainty involves not only uncertainty about the probabilities of the alternatives available, but also uncertainty about the probability distribution itself;
- generating new alternatives for strategic decisions (i.e. through the role of imagination and intuition in decision making);
- implementing new decisions to make adaptation more effective. Adaptation refers not only the level of the organization adapting to its environment, but also at the individual level (“What a person wants and what he wants and likes” [4]).

It is widely recognized that effective strategic decision makings important for the evolution of organizations and for the creation and capture of value. The decision problem is one of the aspiration of the organization. This requires the ability to use imagination in creating new strategic possibilities.

When Ukraine joins EU, a new market will be created, where the impact of the environment and competition will be more aggressive. Companies will be less protected as they are now. The high competition of business environment may result in increased levels of strategic decision making in favor of survival and prosperity. Upon entering in the new global market, strategic management constitutes for Ukrainian companies a very important road to adapt to ongoing changes of international markets and create long-term advantages for the companies.

REFERENCES:

1. An IAC (NASDAQ; IACI) company [Electronic resource] / Dictionary.com.
– URL : <http://dictionary.reference.com>. – Назва екрану.
2. The free Dictionary [Electronic resource]. – URL :
<http://www.thefreedictionary.com/decision>. — Назва екрану.
3. Pearsall, J. The New Oxford Dictionary of English / J. Pearsall. – Oxford: Oxford University Press, 2001.
4. March, J.G. Organizations / James G. March, Herbert A. Simon. – 2 edition.
– Cambridge : Wiley-Blackwell, 1993. – 300 p.