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## **2. Strategic management in Ukrainian food industry**

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**Introduction:** Today, the business environment of organizations is very dynamic and they are constantly facing new challenges. In this situation, in order to maintain the competitive advantages, organizations, on the one hand, have to formulate the effective key strategies. On the other hand, food industry is a complex, global unit of diverse businesses that supply much of the food energy consumed by the world population. Therefore, the development and ensuring the sustainability of food businesses is vital to the global economy and the economy of Ukraine.

**Resources and methods:** The strategic management discipline originated in the 1950s and 1960s. Among the numerous early contributors, the most influential were Alfred Chandler, Philip Selznick, Igor Ansoff, and Peter Drucker. The discipline draws from earlier thoughts and texts on 'strategy' dating back thousands of years.

**Results:** Structure, technical-economic indicators and infrastructure development of food industry in Ukraine significantly lags behind the developed countries, particularly with respect to the complex processing of raw materials, mechanization and automation of manufacturing processes, as well as packing and packaging of products. In recent years Ukraine loses foreign markets of food products distribution, while an internal market is filled with foreign products (often of poor quality), meanwhile there are all necessary raw materials and production capabilities for own production [4].

In spite of difficult financial and political situation, many companies provide reconstruction and technical modernization of production introducing new types of high-quality products in modern ecological packaging. Only if our enterprises use new approaches in innovation and strategic management we will achieve modernization and stability of the Ukrainian food business.

Strategic management provides overall direction to the enterprise and is closely related to the field of Organization Studies. In short, it entails specifying the organizations objectives, developing policies and plans designed to achieve these objectives, and then allocating resources to implement these plans. There are numerous models and frameworks to assist in strategic decision making, that help to fully understand complex macro-economic environment. Strategic management is not static in nature; the models often include a feedback loop to monitor execution and inform the next round of planning [1] [2].

The difficulty of full understanding and responding to the complex issues faced by an organization has led to development and increase of strategic management models and frameworks. One of the most basic and well-known frameworks is the "SWOT" analysis, which includes both internal elements of the organization — Strengths and Weaknesses — and external elements — Opportunities and Threats.

Many other frameworks are commonly used in management and are studied in business schools. Some of the most common are listed below:

- PEST analysis or STEEP analysis examines macro-economic environmental factors such as politics, economics, social factors, and government regulation. Common variations include SLEPT, PESTLE, STEEPLE, and STEER analysis. Each of them incorporates slightly different emphases.

- The Balanced Scorecard attempts to measure the performance of an organization from the perspective of various stakeholders. While often used in a performance management or operational management context, the balanced scorecard is also valuable to strategic management in helping to define and maintain competitive advantage.
- The Porter Five Forces Analysis framework helps to determine the competitive intensity and therefore attractiveness of a market [1].

Similarly, McKeown argued that over-reliance on any particular approach to strategy is dangerous and that multiple methods can be used to combine the creativity and analytics to create an «approach to shape the future», which is difficult to copy [3].

**Conclusions:** Thus, the food industry of Ukraine is developed quite well at the same time it has a lot of problems and their solution can significantly improve the industry's development. Therefore, managers of food enterprises need to use several models and frameworks of forming business strategy in order to obtain reliable management information for strategic decision making. Very important for Ukraine is to develop a national school of strategic management in order to find unique approaches that will meet the requirements of the food industry industry in our country.

### References

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