

МЕНЕДЖМЕНТ

UDC 330

DOI <https://doi.org/10.32782/2312-7872.2.2025.9>

Vladyslav Babii

Postgraduate Student,

Private Higher Educational Establishment

“European University”

ORCID ID: 0009-0003-2153-6947

DEVELOPMENT OF PARTNERSHIPS OF SMALL ENTERPRISES IN THE SYSTEM OF ENSURING SUSTAINABLE AND BUSINESS SECURITY

Abstract. *In the context of implementing the tasks of comprehensive modernization of the economy, the issue of preserving and assessing the sustainable development of an enterprise is becoming increasingly relevant, since different modernization strategies affect these indicators in different ways. In this regard, the main directions of partnership and their impact on the sustainable development of an enterprise were analysed. It was determined that Ukrainian enterprises should build a management system based on the principles of sustainable development, since it is such management that ensures financial stability, competitiveness and effective activity in the market. It also contributes to the organization of production, which reduces emissions of harmful substances into the atmosphere, reduces the material intensity of products, improves working conditions and raises the social level of the population. An effective mechanism of sustainable development allows enterprises not only to adapt to changes in the external environment, but also to constantly develop. The basis of sustainable development in the partnership format should be a balance of economic, social and environmental components. The advantages of using partnerships with various market participants are considered. The advantages of developing partnerships for an enterprise are presented, which relate to personnel training, innovative development, marketing activities and reducing total costs.*

Keywords: *small businesses, sustainable development, enterprise integration, partnership, development strategy, crisis management, business security.*

Problem statement. In developed countries, small business plays a key role in the socio-economic development of the state, affecting its competitiveness. Since it is small business, due to its adaptability and flexibility, that takes part in the creation of new jobs, self-employment of the population, implements innovative projects, which contributes to an increase in tax revenues to the budget. By attracting investment funds, small business implements innovative projects, which positively affects the competitive environment and stimulates the labour market to the emergence of new competencies among employees. That is why the importance of small business for the development of the country is extremely important and requires research into the factors of its development. Today, in Ukraine, it is small business that is a key factor in the self-employment of the population, due to the relocation of enterprises from the zone of active hostilities, their adaptation to new conditions, has allowed to restore some jobs and increase tax revenues to the budgets of host communities. The functioning of small business in conditions of hostilities and post-war reconstruction of the state is an urgent task for authorities that requires additional research.

Analysis of recent research and publications. The issue of small business development is devoted to the work of many domestic scientists, among which the works of Varnaliya Z. S., Voronina V. E., Voronich K. M., Geetsya V. M., Kuzhel O. V., Petrenko V. P., Tymchenko O. I. and others can be distinguished. However, the issue of development and stimulation of small business during the period of hostilities and post-war restoration of the state, taking into account such operating conditions, requires further research. The practice of integration processes in Ukraine is almost absent, and the integration of small businesses is at the initial stage of development. As a result, there are no statistical materials in Ukraine on the practice and consequences of the application of integration, which is also facilitated by the low level of entrepreneurship development and the insufficiently developed regulatory and legal framework on integration issues. Systematic analysis of the implementation of integration processes provides an opportunity to find ways to increase the efficiency of the functioning of small businesses.

Vladyslav Babii

Development of partnerships of small enterprises in the system of ensuring sustainable and business security

The purpose of the article is to study modern trends in the development of small business partnerships in Ukraine.

Presentation of the main material. The current state of small business activities does not allow us to define its development as active and unidirectional.

Sustainable development of an enterprise in such conditions implies the ability to adapt to changes, while maintaining economic stability, social responsibility and minimizing negative impact on the environment [1; 2]. When analysing such aspects, enterprise management should pay attention to the need and possibility of risk diversification. Enterprises can reduce risks by expanding the range of products or services, entering new markets or changing suppliers. It is also important to outline a strategic vision for innovations and technologies, as they can help the enterprise be more flexible and respond faster to changes. In times of instability, it is important to support employees and the communities in which the enterprise operates, that is, in such conditions, issues of social responsibility come to the fore.

One of the directions of increasing the viability of small enterprises is the development of partnerships of small enterprises, which will increase their resistance to negative changes in the business environment, will allow them to attract additional financial, material, and intellectual resources, which will improve financial performance.

A feature of the modern formation and development of small enterprises is the sharp intensification of competition, which is a consequence of global globalization. In combination with the low level of income of entrepreneurs, unsatisfactory financial condition and difficult access to credit resources, this situation is already pushing small enterprises to develop partnerships.

To consider the specifics of sustainable development of an enterprise in today's conditions, one should proceed from the peculiarities of activity and the existing organizational and economic conditions in the country, one should proceed from a certain range of interests and strategic goals, which should be interconnected with the motives and behavioral models of other market participants (stakeholders). Therefore, its energy efficiency becomes critical for business due to the need to optimize costs in conditions of instability, which will ensure the achievement of sustainable development goals [3; 7].

When creating an integrated structure at the stage of organizational and economic design, it is important to assess the properties of the formed organizational structure. Therefore, it is necessary to determine the effect of the joint functioning of small enterprises, the receipt of which is the main incentive for integration, as well as assess the stability of the integrated structure.

In today's unstable social conditions, partnership plays a key role in ensuring the sustainable development of the enterprise. We agree with the opinion of scientists and practitioners that collaboration with other organizations, suppliers, customers, government and non-governmental organizations can significantly increase business sustainability [5; 6; 8].

The effect of creating an integrated structure is understood as a general benefit for all participants, and stability is the ability to maintain a certain level of efficiency under various changes in environmental factors.

The assessment of these two most important characteristics can be considered as two interrelated tasks. If the effect of integration, that is, in fact, the additional benefit of all participants in the integrated structure is predicted to be insignificant, then there is no point in starting the rather costly process of creating an integration structure. If the efficiency is laid down in the project at an insufficient level, the interests of individual enterprises that are supposed to be included in the group will contradict each other, then the formation will either not be able to organize or will disintegrate in the process of functioning. The main goals of integration are to obtain a general profit or any other form of benefit, as well as to increase the stability of the functioning of interacting economic units.

The analysis of scientific literature and observation of the economic activities of small enterprises allowed us to conclude that the development of small enterprise partnerships follows two directions.

The first direction of partnership includes integration relations between a large and a small enterprise. Small and medium-sized enterprises, which prefer stability and economic sustainability, are interested in reliable integration with large enterprises. They are characterized by rational, stable relations based on long-term relations, provided that cooperation with them is beneficial to the small enterprise.

Among the organizational forms of interaction between large and small firms, it is necessary to highlight the subcontracting system first of all. It is a long-term supply relationship between a large enterprise that produces significant volumes of mass products and many small enterprises that produce specialized products in relatively small volumes or in a small assortment.

It should be noted that in practice, a combination of production and business franchising is quite common. Recently, the term "conversion franchising" has been used. This form combines previously independent forms that have failed due to market saturation and intense competition. When small businesses use this progressive form of partnership, the advantages are obvious: with minimal initial

investment, there is an opportunity to work according to defined and proven business models and receive comprehensive support from an experienced franchisor; reputation among consumers increases due to doing business under a recognized trademark; obtaining a guarantee of constant trade supply, providing technical conditions. An equally important incentive is the opportunity to conduct full-fledged, large-scale advertising for minimal costs.

The main components of the franchise package offered by large enterprises include:

1. The right to use the trademark and corporate identity.
2. Corporate standards for conducting business of the enterprise.
3. Equipment specification and consultation on its purchase at corporate prices from certified partners – suppliers of the company.
4. Provision of a product range and a package of technological documentation for the company's branded products.
5. A list of raw materials and materials necessary for the production process, and consultation on their purchase from certified suppliers of the company.
6. Consultation on the purchase and installation of software.
7. Consultation on the selection and training of franchisee personnel.
8. Provision of specifications and prices for corporate advertising products.
9. Consulting services on advertising, marketing, pricing, organization of legal, accounting, financial and technical bases before the opening and during the operation of the enterprise.
10. Guide for franchisees on the use of advertising products, standards.
11. Conducting an analysis of the activities of a franchise enterprise before the opening and during the operation of a small enterprise.
12. Organization of a test run and official opening of a small enterprise.

One of the methods of updating the material base and fixed assets of small enterprises is leasing as an effective way to stimulate investment activity, attract additional investments, including foreign ones, in the development of the production sector. Leasing has great potential for the development of small entrepreneurship, rational use of resources, and great flexibility between producers and consumers.

The second direction of development of partnerships of small enterprises is their unification on mutually beneficial terms, which can include both contractual and statutory relations and involve the unification of business assets in order to coordinate production, scientific and other activities to solve common tasks to increase the efficiency of economic activity.

It should be noted one of the new integration strategies in the management of small enterprises, which has been called outsourcing and outstaffing. Nowadays, outsourcing and outstaffing are one of the best tools with which enterprises have the opportunity to increase their level of economic activity efficiency. But the issue of the use of outsourcing and outstaffing in small enterprises is not fully explored and causes many disputes and disagreements. At the same time, this topic is not disclosed at all in the works of Ukrainian scientists, therefore it requires studying the economic essence of these tools that increase the efficiency of small businesses in modern conditions.

Outsourcing means borrowing resources from outside. In another way, the same term can be interpreted as a way to optimize the activities of an enterprise by focusing efforts on the main subject of activity and transferring non-core functions and corporate roles to external specialized organizations. Outsourcing – (English: outsourcing – the use of external sources) – is the transfer to an external contractor of some business functions or parts of the business process of an enterprise. For entrepreneurship, the use of outsourcing frees it from the forced creation of its own internal services and divisions, which require large financial costs and appropriate staffing. The advantages of using outsourcing are the ability to focus attention on the main direction of activity, reduce investment in fixed assets, flexibly respond to changes in the market and within the enterprise; do without expanding the staff and reduce costs for personnel, information support, marketing research.

There are two types of outsourcing – production outsourcing and business process outsourcing. Production outsourcing involves the transfer of part of production processes or the entire production cycle to a third-party company. Production outsourcing allows a company, firstly, to focus on the development of new products and services, which is important for ensuring competitive advantages, especially in conditions of rapidly changing technologies and demand, secondly, to increase production flexibility, and thirdly, to use additional advantages from doing business in markets with cheap labor.

The essence of outsourcing is that all the resources of the enterprise are concentrated on the main type of activity, and not the main functions for the business are transferred to professional partners. At the

same time, outsourcing is part of the enterprise management strategy, and not just a type of partnership or cooperation and involves the transfer of not only duties, but also responsibility for the provision of certain services to partner companies.

According to specialists of the Outsourcing Institute, business process outsourcing is a dynamically developing type of optimization of enterprise activities, with the greatest growth observed in the field of finance and accounting. Theoretically, the following types of outsourcing can be applied to small food industry enterprises: production outsourcing, IT outsourcing, business process outsourcing, knowledge management outsourcing.

The advantages of outsourcing are: reduction and control of production costs; use of leading or innovative production technologies; release of internal resources for other purposes of enterprises; concentration of attention on the main type of activity; exemption from the need to purchase and store equipment, knowledge, technologies necessary for outsourced processes; reduction of uncontrollable factors; exemption from a share of risks associated with production. But along with the advantages of outsourcing, there are also its disadvantages - the fact that the outsourcer enterprise may not be sufficiently qualified or professional in certain business processes that it takes on.

But in small industrial enterprises, only business process outsourcing and IT outsourcing can be realistically applied (Table 1).

Table 1 – Outsourcing services that can be provided to small enterprises

No. s/n	Scope of activity of the enterprise	Areas of application
1.	Information	– software development; – enterprise database management.
2.	Accounting	– accounting documentation maintenance; – payroll processing; – financial reporting; – tax payments.
3.	Human Resources	– use of freelance staff; – legal support.
4.	Marketing Communications Management	– public relations; – advertising; – outbound telemarketing.
5.	Commercial Activities	– logistics; – organization of supply and sales.

In our opinion, the use of outsourcing at small industrial enterprises is possible in the presence of the following problems: high production costs; inability to ensure the required quality of products; shortage of equipment for work on resource-intensive operations; lack of highly qualified personnel; cumbersome management apparatus (the presence of accounting, commercial, marketing departments); ineffective work of the supply department.

The following reasons may make the use of outsourcing inappropriate: lack of reliable outsourcers; potential monopoly on the part of a potential supplier; reduction in the efficiency of services below the required level, when time is a decisive factor, and the supplier is unable to meet deadlines; increased costs associated with the fact that the cost of production by one's own forces is lower than the price of the offer on the market. Cooperation of small enterprises with other enterprises in the form of outsourcing will allow saving on costs of organizing and conducting certain business processes, thereby providing more time and resources so that companies can concentrate their attention on the development and implementation of innovative ideas and technologies in production. The advantages and disadvantages of outsourcing are systematized in Table 2.

For small business managers, it is important to distinguish between the concepts of “outsourcing” and “outstaffing.” Outsourcing is the transfer of functions that were previously performed directly by the enterprise itself to an external contractor that specializes in performing these functions. Outstaffing involves the transfer not of individual functions, but of specific employees working in the company. In this case, these employees are registered as employees by a third-party organization, but actually work in the same place where they worked and perform the same functions that they performed.

Outstaffing – the company’s engagement of a freelance specialist (freelancer) who has the appropriate knowledge, professional skills and experience for the duration of a specific project, as well as in order to evade compliance with labor legislation.

Outstaffing is often understood as the removal of an employee from the staff of the customer company and his registration in the staff of the provider company, while he continues to work in his previous place

and perform his functions, but the employer's obligations towards him are already fulfilled by the provider company. The outstaffing company provides employees with the necessary qualifications and is responsible for the quality of the services they provide, and if the quality does not satisfy the client, the personnel will be replaced by others with the necessary qualifications.

Table 2 – Advantages and Disadvantages of Outsourcing in Small Businesses

Advantages	Disadvantages
– use of specialized equipment, knowledge, technologies; – reduction of the cost of implementing the business process, namely: reduction and control of costs, savings on taxes on the salary of a staff unit; – increase in the investment attractiveness of the company; – use of competition in the contractor's market; – synergistic effect, release of the company's internal resources for other purposes; – reduction of risks associated with the implementation of the business process; – reduction of the impact of uncontrollable factors, shortage of agricultural raw materials; – additional access to finance; – increase in the quality of products or services received due to the concentration of the enterprise's efforts on the main activity.	– lack of control levers on the part of the outsourcer, which can lead to a decrease in the efficiency of processes and an increase in maintenance costs; – the level of professionalism of the outsourcing company's employees – may be insufficient to perform work or provide services at the proper level; – an increase in the time required to resolve problems in emergency situations, associated with an unnecessary intermediate link; – the presence of risks of violating the safety of property, the preservation and leakage of confidential information, – constant unregulated access to documents, data and material assets of the enterprise by third parties; – high staff turnover; – the inability of managers of small industrial enterprises to promptly control and influence delegated business processes.

With a small number of employees and significantly low personnel costs, financial and economic indicators can significantly improve. This can be used as a tool to increase the investment attractiveness of the enterprise. The most “soft” form of economic partnership is an association. It is an association of individuals or legal entities, which provides for the preservation of its members' economic independence and the rights of a legal entity. Each of the participants distributes its product only within the information field.

The creation of integrated structures is economically feasible if the technical and economic characteristics of the integration structures improve compared to the set of technical and economic characteristics of independent business entities that have entered the integrated corporation. Based on partnership advantages, small businesses have the opportunity to reduce the risks of resource limitations, both production and financial, the risks of non-fulfillment of obligations, the risks of the destructive impact of the business environment, the risks of loss or lack of information, etc.

For small enterprises, such partnerships with large or medium-sized enterprises can be shown in the form of a model that provides for its further development in organizational, economic, financial issues, and therefore provides: firstly, an increase in the stability and predictability of the business environment of small enterprises; secondly, there is a mutually beneficial movement of information, technological, raw material, financial, and human resources.

In general, the considered partnership models allow small enterprises to become an important element of the business environment. It can be argued that the development of specialization and the partnership mechanism make small businesses a component of large-scale production, help it overcome traditional limitations, and increase its place and role in increasing the efficiency of social production. The experience of developed countries of the world shows that the innovative development of the country is always accompanied by the development of industrial complexes. As the world practice of the most prosperous economic systems shows, high competitiveness and stable economic growth are primarily provided by factors that stimulate the spread of new technologies. One of such innovative technologies is the formation of clusters.

We can say that cluster structures built on the cooperation of enterprises, financial and credit institutions, educational institutions, etc. are becoming increasingly important in the formation of innovativeness of individual territorial entities in Ukraine. The formation of cluster-associated enterprises provides an opportunity to accelerate development, provide the necessary funds for innovative projects, new strategies, and promotes the free exchange of information. Cluster associations of enterprises become a means to overcome isolation on internal problems, inertia, inflexibility and struggle between rivals, which reduce or completely block the beneficial impact of competition on the market.

The formation of clusters of small enterprises, on the one hand, will contribute to effective, full-fledged, fair competition and the selection on this basis of the most viable and efficient economic units, and on the

other hand, it will be able to ensure the stabilization of supply and demand, prices and incomes. The main reasons for Ukraine's lagging behind in the development of clusters of small enterprises are the lack of a general concept of clustering and the government's misunderstanding of the role of cluster formations in ensuring economic progress. The development of clusters of small enterprises can be considered as a means of increasing their competitiveness in an unstable business environment. Among the advantages of clustering of small enterprises in the region, the following should be highlighted:

- increasing the competitiveness of small participating firms through savings and rapid diffusion of knowledge;
- stimulating the concentration of entrepreneurs in a limited geographical area, which act as “innovation magnets”;
- promoting the economic development of the region, the general vision of the mission and the achievement of common goals of enterprises;
- formation of links between interdependent industries, common technologies (software, food production technology, etc.) and common markets;
- integration of relations: supply chains, joint scientific and technological developments, knowledge, infrastructure, industry image, resources.

Among the factors that will stimulate the development of clusters of small enterprises in the regions, the following can be noted: a high level of scientific research, entrepreneurial culture, a growing number of enterprises, premises and infrastructure, access to finance, the availability of business services, a qualified workforce, effective cooperation with state authorities.

The effectiveness of the implementation of small enterprise partnership development processes is influenced by various factors. The classification of factors can be divided into groups, depending on their general characteristics. Taking into account the influence of each factor, a decision can be made on the feasibility or inexpediency of implementing the integration process due to the high risk of failure. It should be noted that the more destructive factors are taken into account when making a decision on the feasibility of creating integrated small enterprises, the more accurate and qualitative the result will be, especially in conditions of an uncertain business environment, where the influence of factors on a separate part of the system causes changes in its other parts.

Conclusions. Thus, from the above material, we can conclude that the aggravation of the situation on the world market, the liberalization of foreign trade relations, the growth of world and domestic prices put forward the priority requirements for increasing the efficiency of the development of small enterprises and improving integration mechanisms. Therefore, integration models of small business development are becoming increasingly important, aimed at meeting consumer needs in those types of quality goods and services that were not previously satisfied; increasing the level of employment of the population through the creation of additional jobs; increasing the number of profitable enterprises.

REFERENCES

1. Svystun, K. O. (2017). The genesis of the concept of “steel development” and approaching its introduction. *Molodyj vchenyj*. № 2, pp. 326–333.
2. Skrypnyk, O. (2019). Development of a strategy for the development of partnerships in enterprises. *Ekonomika ta suspil'stvo*. Issue 21, pp. 201–206.
3. Dubyna, M., Serdiuk, D. (2023). Security of the development of Ukraine in the minds of the insignificance and turbulence of the external environment. *Problemy i perspektyvy ekonomiky ta upravlinnia*. Issue 4 (36), pp. 9–25. DOI: [https://doi.org/10.25140/2411-5215-2023-4\(36\)-9-25](https://doi.org/10.25140/2411-5215-2023-4(36)-9-25)
4. Ivanova, N., Popelo, O. (2023). Assessment of corporate governance in the context of the implementation of the strategy of steel development. *Naukovyj visnyk Polissia*. № 1(26), pp. 183–201.
5. Kapinos, H., Larionova, K. (2023). Problems of managing the steel development of Ukraine in the minds of the war. *Modeling the development of the economic systems*. № 1, pp. 93–103. DOI: <https://doi.org/10.31891/mdes/2023-7-13>
6. Ippolitova, I. Ya., Selezneva, H. O. (2019). Strategic partnerships between enterprises as a direct result of our foreign development. *Infrastruktura rynku*. Issue 28, pp. 99–106. Available at: http://www.marketinfr.od.ua/journals/2019/28_2019_ukr/17.pdf
7. Kapeliushna, T. V. (2016). «An approach to assessing the effectiveness of the business management mechanism in the context of modern development». *Ekonomika. Menedzhment. Biznes*. № 2 (16), pp. 62–68.
8. Riabtev, V. (2023). Corporate partnership as a form of implementation of the concept of the company's development. *International Science Journal of Management, Economics & Finance*. Vol. 2. No. 2, pp. 124–132. DOI: <https://doi.org/10.46299/j.isjmef.20230202.13>

Бабій Владислав Миколайович
Приватний вищий навчальний заклад
«Європейський університет»

РОЗВИТОК ПАРТНЕРСТВА МАЛИХ ПІДПРИЄМСТВ У СИСТЕМІ ЗАБЕЗПЕЧЕННЯ СТАЛОГО РОЗВИТКУ ТА БІЗНЕС-БЕЗПЕКИ

Анотація. У контексті реалізації завдань комплексної модернізації економіки все більшої актуальності набуває питання збереження та оцінки сталого розвитку підприємства, оскільки різні стратегії модернізації по-різному впливають на ці показники. У зв'язку з цим було проаналізовано основні напрями партнерства та їх вплив на сталий розвиток підприємства. Було визначено, що українські підприємства повинні побудувати систему управління, засновану на принципах сталого розвитку, оскільки саме таке управління забезпечує фінансову стабільність, конкурентоспроможність та ефективну діяльність на ринку. Це також сприяє організації виробництва, що зменшує викиди шкідливих речовин в атмосферу, знижує матеріальну інтенсивність продукції, покращує умови праці та підвищує соціальний рівень населення. Ефективний механізм сталого розвитку дозволяє підприємствам не тільки адаптуватися до змін зовнішнього середовища, але й постійно розвиватися. Основою сталого розвитку в форматі партнерства має бути баланс економічних, соціальних та екологічних компонентів. Розглядаються переваги використання партнерських відносин з різними учасниками ринку. Представлено переваги розвитку партнерських відносин для підприємства, які стосуються підготовки персоналу, інноваційного розвитку, маркетингової діяльності та зниження загальних витрат.

Ключові слова: малий бізнес, сталий розвиток, інтеграція підприємств, партнерство, стратегія розвитку, кризовий менеджмент, безпека бізнесу.