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ADMINISTRATIVE EFFICIENCY ANALYSIS TAKING INTO ACCOUNT THE LEVEL OF ECONOMIC SECURITY OF ENTERPRISE

Problem statement. Currently, domestic enterprises the issue of their economic security which is not possible without an established system of administration was touched. Before Ukrainian enterprises along with the importance of profit the task of forming an effective system of administration was arisen. At the same time, it is advisable to determine the effectiveness of administration taking into account a number of economic indices, the key of which is to perform the level of economic security.

Between the categories of "efficiency of administration" and "the level of economic security" there is obviously a direct link. However, studies of this relationship in the scientific community are not paid enough attention, which in turn points to the need for a comprehensive approach to the outlined issues. In this case, first of all it is advisable to develop methodological approaches to the analysis of administrative efficiency taking into account the achieved level of economic security.

Analysis of recent research and publications. In modern literature, sufficient attention is given to research methodology and tools for the analysis of control system [1–4]. However, as it is noted in a number of scientific papers (e.g. [5, p. 169]), there is a theoretical uncertainty of administration essence, and issues of administrative efficiency analysis remain little studied and little developed. There are some studies on the evaluation of the administration of certain functional activities at the enterprises [5–7]. In this regard, the issue of administrative efficiency analysis is appropriate and relevant.

Problem. The purpose of the study is to improve the methodological approaches to the analysis of administrative efficiency, taking into account the level of economic security of enterprise.

The main material of research. Taking into account the existence of differences in the interpretation of the term "administration" in various literary sources, at first we consider existing definitions. In particular, in [8] administration is defined as:

- 1) activity, which combines the management of the enterprise or organization;
- 2) the management of something especially concerning laws, certain government checks;
- 3) the government in a particular period of time.

Similar definitions are given in [9], which states that the administration is:

- 1) the control or management of something (e.g., systems, organization or business);
- 2) a group of people who organize or control something.

Definition in work is deserved a special mention [10], where the administration is proposed to understand as the type of management activities aimed at determining , achieving and maintaining the specified parameters of the structural divisions functioning with the use of administrative resources.

The term "administrative management" it is closely associated with the administration. In work [11] it is called one of the functions that runs the company, division or department that is part of the enterprise, and the purpose of administrative functions are called information control that must be on time, accurately and adequately provided to managers at all levels of government that will give them the possibility to make important decisions.

For certain companies there is a position of manager for administration. Let us consider in details his functional responsibilities (meeting the requirements of document - «Guide of professional qualification features of employees ... »):

1. Provides management of the administrative service activity of the company, institution or organization and is personally responsible for the management of fulfilling duties.
2. Heads and organizes work to ensure the enterprise activity by internal administrative coordination and data communication.
3. Generates information and communication infrastructure of enterprise, institution and organization.
4. Distributes duties among structural units of the service or its employees, directs, coordinates and supervises their work.
5. Submits a proposal to managing board as for the structure of the administrative services.
6. Takes steps to improve the forms and methods of staff operation.
7. Organizes, regulates and controls the information and analysis carrying out of the enterprise, institution or organization.
8. Develops analytical, reference and other materials on issues related to the enterprise, institution or organization within its jurisdiction.
9. Prepares analytical information, proposals, reports, and minutes by analyzing the performance of

the enterprise, institution, organization or subordinated department.

10. Together with the heads of departments takes part in the development of long-term and current plans in accordance with the overall strategy of the company.

11. Monitors the effectiveness of the chosen strategy, based on which makes recommendations regarding the development of enterprise, institution, organization and their departments.

12. Takes part in the formation of steps to determine the corporate strategy of the enterprise, institution, organization and within the scope of his authority supervises its implementation.

13. Within delegated authority monitors the status of organizational and administrative activities of the organization and structural units.

14. Takes part in the organization of measures to protect personnel.

15. Takes part in the formation of human resources policy of the enterprise, institution, organization and control the capacity of staff.

16. Together with the heads of departments develops job descriptions and rules for internal labor order, takes measures to ensure appropriate working conditions in the workplace.

17. Provides the conclusion and implementation of collective bargaining agreement.

18. Provides management of the keeping of records in the organization.

19. Together with the leaders of other structural units develops and organizes the implementation of internal and external standards of business documents.

20. Within the competence or on behalf of the manager represents the company, institution or organization in all bodies, institutions and organizations, the media, contacts with the heads of state agencies, local governments, enterprises, institutions, organizations and individuals with persons as well as in relations with foreign partners.

21. Within the authority issues orders and instructions that are binding on all employees, signs the documents and puts visa.

22. Heads and organizes the preparation and conduct the activities with managing board.

23. Knows, understands and applies existing regulations relating to his activities.

24. Knows and fulfils the requirements of regulations on health and the environment safety, comply with regulations, methods and techniques of safe operation.

Consequently, the administrative manager is responsible for the overall efficient operation of the enterprise, and the overall development strategy of the company. Therefore, the effectiveness of the company to ensure the proper level of economic security depends on him.

Administrative measures are served to ensure the safety of the company and all its employees as well as to monitor compliance with established rules and regulations, assisting managers of the various structures in support of established regime of security at the facilities of the company; they can be implemented with the help of organizational and legal impact on the managers of facilities and other structures of the company in the field of protection of these facilities and structures [14]. In turn, the concept of security is derived from the term "threat", so let's focus more on the substance of the latter.

Analysis of the available literary sources showed that most scientists divided threats of economic security into internal and external. Agreeing with such division, consider the work of [15], where the internal threats to economic security are called threats related to errors in the activities of the enterprise and which include [15, p.42]:

- shortcomings in the work with the personnel of the company;
- personnel turnover, lack of skilled workers in important organizational and industrial areas of the company;
- unresolved social problems of employees;
- low level of internal monitoring of the implementation of financial and business operations, accounting of material assets and funds that directly contribute to the commission of crimes vested in the company;
- the poor state of preservation of property, cash and information constituting commercial, banking and other secrets;
- low level of working organization with confidential documents;
- low level of institutional protection of computer systems from unauthorized access;
- inefficient economic security services and etc.

As it is seen from the list above, part of internal threats to economic security could be neutralized, eliminated or postponed through a series of administrative measures.

External threats by author's view [15, p. 42-43] are those which are outside the company: theft of company property by outsiders, industrial espionage, illegal actions of competitors, illegal actions by criminal organizations etc. Such threats can also be postponed through administrative measures.

It is necessary to agree that the impact of administration process has to be assessed as integral derivative value of the degree of achievement of the overall operational activity of the company and the performance indicators of the process of administration itself [10, p. 170]. Moreover, as it is rightly noted in [12], the results of the administration should be understood as the extent of the achieved goal, which is set exogenously and, therefore, in the system of interrelated and interdependent business processes it is

determined by the requirements of further processes and makes an impact on their parameters. In exogenous way to administration process goals are set by control system to achieve or maintain certain parameters of the operation. If the set goal is achieved, one could argue about the impact of administration process [5].

Taking into account that:

- at first, to the economic results of the company activity, we also correspond changing its level of economic security,

- secondly, the economic security includes financial, technical, personnel security and its other types, which, in turn, are threatened with some destabilizing factors that are measured by various indicators, then the performance (efficiency) of administration ($P_{\text{ЭБП}}$) is proposed to be defined as function of several variables:

$$P_{\text{ЭБП}} = F(X_i) = \alpha_1 f(x_1) + \alpha_2 f(x_2) + \dots + \alpha_n f(x_n),$$

where x_1, x_2, \dots, x_n – key variables-indicators of the company, describing the different components of its economic security (technical, financial, personnel, informational, etc.);

$f(x_1), f(x_2), \dots, f(x_n)$ – local functions of depending on the level of efficiency of administration from relevant indicators of company activity;

$\alpha_1, \alpha_2, \dots, \alpha_n$ – the share of the significance of each indicator for the efficiency of administration

$$\left(\sum_{i=1}^n \alpha_i = 1 \right);$$

i – number of indices.

Share of the importance of each indicator for the efficiency of the administration is proposed to define separately for companies of a certain industry by expert method using the Delphi method.

All variables (x), affecting the efficiency of administration, it is advisable to divide on the cost, organizational and time, while any parameters, in our opinion, can be transformed and represented in monetary terms.

To the time performance (effectiveness) of administration scientists refer the total duration of the process of administration, duration of monitoring and process control, the time spent on the disposal and regulation of the process, the time spent on coordination of performers etc.

One of the administration results should be saving of time to achieve the desired (targeted) level of economic security, or delay the onset of the critical moment of economic security as a result of appropriate administrative measures. Note that at the occurrence of mentioned critical level, the company can suffer large amounts of damage. This refers not only to the financial component of economic security, but also others. For example, industrial enterprises face fines and reduce reputation because of the limits excess of emissions, which ultimately increases the value of the loss.

So we advise to use existing methodological approaches, adapting them to the purposes of this study. Thus, the author of paper [13] proposed to determine the relative effectiveness of anti-crisis measures index - the index of delay since the onset of technical insolvency (I_{del}), which determines the ratio of the reserve capacity difference of company economic performance in terms of time before and after the implementation of anti-crisis measures to the initial reserve capacity. Similar to this indicator, we consider appropriate to determine the index of delay the onset of the critical moment of economic security (I_e):

$$I_e = \frac{ES_{\text{beg}} - ES_{\text{fin}}}{ES_{\text{beg}}},$$

where $ES_{\text{beg}}, ES_{\text{fin}}$ – level of economic security of enterprise relatively before and after administrative measure, months implementation.

On-time certain administrative measures carrying out allows to postpone the date of the onset of the critical level of economic security, and hence the possible loss of the company. During the deferral period, the company has possibility to adapt to new conditions of operation, to minimize (eliminate) some threats to economic security, and/or some destabilizing factors, gather and analyze additional information to develop new tactics and strategy to enhance economic security and on this basis to take informed managerial decision.

The economic effect of deferred losses of the company upon the occurrence of a critical level of economic security ($E_{\text{взд}} \text{ЭН}$) consists of savings on deferred losses of the company (B) minus the costs of administrative activities (B_a):

$$E_{\text{eid}} e_H = \frac{B}{(1+q)^{T+\Delta T}} - Ba$$

where ΔT – postponement of the onset of the critical moment of economic security, months;
 q – discount rate, the percentage of units.

As organizational efficiency indices (effectiveness) of administration scientists include uniform loading of performers, regulatory process provision, compliance with regulations to the nature of situation solved etc.

To consumable indicators in the literature the availability, adequacy, compliance with financial, material and human resources of administration process are mainly referred. In addition to this division, the author of paper [5] divides the indicators into direct and indirect. The indicators of the first group he calls the kinds of administrative costs - physical, financial, time and personnel costs, and the second one – are associated with the balance of powers and the existing administrative procedures in the activity of administrative entity.

To assess the effectiveness of administrative measures we offer to use the indicator developed by the author [16] that allows you to set the spending expediency aimed at enhancing economic security and all of its components. He describes the ratio of savings of estimated value of financial resources required to achieve the standard value by complex index of economic security, respectively, before and after the introduction of the event estimated to value the cost of it. Efficiency index of administrative measures aimed at enhancing economic security ($E3_{\text{e3}}$), it is reasonable to expect the formula [16]:

$$E3_{\text{e3}} = \frac{H\Phi P_1 - H\Phi P_2}{B\phi}$$

where $H\Phi P_1$, $H\Phi P_2$ – estimated value of shortage of financial resources needed for the enterprise to achieve standard value of complex index of economic security, respectively, before and after the introduction of administrative measures;

$B\phi$ – the total value of expenses incurred for the implementation of the estimated measure.

The carried out study showed that the additional classification features of threats to economic security of companies can be:

- the possibility of their postponing (threats that can be completely postponed, partly postponed, impossible to be postponed);
- the degree of perception of administrative influence (threats which have full administrative impact, partially exposed, and they are not exposed to it).

In turn, the entire set of administrative measures can be classified according to the degree of influence on the level of economic security: the absolute impact; medium impact; low impact.

Conclusions and further research. Thus, analysis of administrative efficiency in the company should be closely linked to the process of ensuring sufficient (desired, targeted) level of its economic security. Evaluating the effectiveness of administration should be comprehensive and include a range of economic variables-indicators of various components of economic security. Proposed indicators for assessing need further development of the specification of administrative measures limiting values, the choice of methods of integration. The actual administrative efficiency value should be compared with standard (recommended) ones, to which the issue needs further development methodology mentioned standard level of efficiency of administration. Future research direction should also build the matrix of matching specific administrative measures and specific threats to economic security, on the basis of which can be management decisions made aimed at enhancing economic security level of enterprise.

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Mischuk Ye.V. ADMINISTRATIVE EFFICIENCY ANALYSIS TAKING INTO ACCOUNT THE LEVEL OF ECONOMIC SECURITY OF ENTERPRISE

Purpose. To improve the methodological approaches to the analysis of the efficiency of administration taking into account the level of economic security.

Methodology of research. In the process of research the general and special methods were used. In particular, it was based on the analysis, synthesis, induction and deduction, and generalization of scientific literature as well mutual relationship between the efficiency of administration and level of economic security was studied.

Findings. It was proposed to use the index of delay of the critical moment of economic security onset, index of economic effect from the deferral of company losses upon the occurrence of a critical level of economic security and index of administrative measures aimed at enhancing economic security level. We proved that achieving the target level of economic security is not possible without the use of administrative measures, and that the conclusions about the effectiveness of administration are appropriate to be done by comparing the level of enterprise economic security before and after taking administrative measures. It was found that both internal and external threats to the enterprise economic security can be postponed or minimized through administrative measures.

Originality. Methodical approaches to the analysis of administrative efficiency by supplementing of existing indices with new ones, which, unlike to existing indices, the expenses on administrative measures and the level of enterprise economic security are taken into account.

Practical value. The obtained research results, in particular as regards the use of the proposed methodological approaches to the analysis of administrative efficiency by supplementing existing indices with new ones will allow to take a more objective decision on practicality of certain administrative measures in terms of providing economic security of enterprise.

Key-words: economic analysis, efficiency of administration, administrative measures, economic security, threats, critical level.