



## THE SPECIFIC FEATURES OF ENSURING THE ECONOMIC SECURITY OF INDUSTRIAL ENTERPRISES

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<b>Received:</b> 10 <sup>th</sup> April 2024	<i>In today's global economic environment, most companies operate in conditions of uncertainty, unpredictability. The unstable political and socio-economic situation in the country increases the degree of risk of decision-making and the functioning of enterprises in general. In such conditions the problem of ensuring the economic security of the enterprise becomes relevant. This determines the relevance of studying the issue of economic security of enterprises in modern conditions. The structure of the functional components of economic security of the enterprise consists of: financial, political and legal, technical and technological, information, personnel, environmental, commercial, power and intellectual.</i>
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### INTRODUCTION

In a dynamic external environment and unsustainable development of the national economy, domestic enterprises face many threats to their functioning. These threats are diverse: financial, economic, social, personnel, information, production, commercial. Therefore, businesses face the task of ensuring, firstly, the stability of functioning by avoiding or neutralizing threats, and secondly, the effectiveness of activities through prudent management of social and labor, financial and economic, production and other business processes, which is complicated unfavorable socio-economic and political situation in the country. The risky nature of business, uncertainty and unpredictability of many environmental factors, as well as political and economic instability in Ukraine and increased competition have significantly highlighted the problem of survival of the enterprise in the current economic conditions. This situation necessitates the correct determination of the level of economic security of the enterprise, identification of risk areas and timely development of a set of anticrisis measures. The change of economic conditions from administrative to market is objectively accompanied by the evolution of both the very concept of economic security of the enterprise and methods of its assessment. The modern development of entrepreneurship is closely linked to availability high level of its economic security, because only in such conditions effective strategic planning of activity, effective is possible management and control over the implementation of all, both internal and external processes. Business efficiency and sustainability directly depend on careful consideration of ways to protect economic security from negative internal and external threats. To maintain a high level of economic security,

first of all, it is necessary to pay special attention to the process of economic security management, control the behavior of competitors, especially in situations that may jeopardize corporate activities, conduct a thorough analysis of the economic situation in the country; development of effective measures to respond to hazards; development of an effective system for assessing the level of financial and economic security. The security strategy allows the company to implement a system of development strategies. Economic safety is necessary condition of being either enterprise, it provide security of vital interests against internal and external threats, risks and dangers and it is basic of durable functioning. The company have to save its organizationalstructure, to put in order internal relation with consider external influencing factors and, on its base, ensure its own functioning and development. A concept of economic safety as social phenomenon connected with formation society and birth of state, when necessity of safety of all life-support components of social structure comes to the fore. In the period of ancient civilizations a concept of economic safety leads down to problem of protection public wealth from enemy attack or any external encroachment, and also to protect the government, property and property of rich branches of society from internal riots and riots of the poor people. At the state level, the term «security» began to be used in the XVII–XVIII centuries, when in European countries the idea arose that the main goal of the state – to achieve universal well-being and security of people. In the XIX century the key to the country's economic security was considered to be the policy of protectionism, that is the protection of the national market and national producers from foreign competition, including through high customs barriers.



Proponents of this economic doctrine believed that free trade poses a threat to domestic producers, and the entry of cheap foreign goods into the market is nothing more than external economic aggression. This is achieved through the implementation of many solutions aimed at ensuring the security of the enterprise. Strategic aspects of ensuring the economic security of the enterprise involve the implementation of 3 components:

- 1) urgent response to threats, transport process, in particular the loss of property, deterioration of staff structure, etc. In this case, the principle of «threat – reflection» applies. Units, services, methods and tools created to solve this problem can reduce or prevent the impact of threats and, at the same time, there may be a situation where the company will be damaged;
- 2) forecasting, which involves identifying hazards and threats in advance, purposeful study of economic and criminogenic situations both within the enterprise and in the environment. Specialists involved in solving this problem, formed units of the security service provide an opportunity to consciously and purposefully work to create favorable conditions for the enterprise;
- 3) compensation (compensation, recovery) for damage.

#### **LITERATURE REVIEW**

This strategic approach can be considered acceptable only when there is a loss, or when it is not possible to implement strategic approaches of the first and second types. Thus, the system of economic security of the enterprise is a limited number of interconnected elements that ensure its security and the achievement of strategic goals of enterprises. The components of such a system are the object and subject of economic security, the mechanism of economic security, as well as practical actions to achieve it. The object of economic security is all that is aimed at ensuring the economic security of the enterprise. The subjects of economic security of the enterprise are individuals, structural units, services, bodies, departments that are directly involved in ensuring the security of the enterprise. Depending on the purpose of the subjects of economic security can be divided into 2 groups:

- 1) services engaged in these activities directly at the enterprise;
- 2) external bodies and organizations.

The first group includes those entities that are part of the structure of the enterprise and solve problems to ensure its security. This group includes:

- special subjects (security service or security, fire brigade, rescue service);
- semi-special (legal department, financial service, medical department);

– other structural units and personnel of the firm, which are involved in ensuring their economic security of enterprises.

Non-governmental organizations, agencies, and institutions exist and operate successfully together with state ones. These are various private security and detective firms; analytical centers; information services; educational, scientific and consulting organizations, etc. They typically provide security services for a fee, protect information, trade secrets, collect and provide information about competitors, unreliable partners, and more. World experience shows that it is mainly non-governmental organizations that solve the problem of ensuring the economic security of enterprises. For the successful functioning and development of the enterprise it is necessary to implement the strategy of economic security of the enterprise, which means a set of the most important decisions aimed at ensuring the appropriate level of economic security of enterprises. According to the above types of strategic approaches, it can be noted that the first two types of strategies provide for such activities to ensure economic security, as a result of which there are no threats. In the third case, there is damage, but it is compensated by the actions provided for in the strategy. The formation of the security system and, above all, the creation of its bodies depends on the size of the enterprise, its economic, financial, technical, informational, intellectual, professional, organizational and other capabilities.

#### **MATERIALS AND METHODS**

Small enterprises more often use the services of external specialized private organizations: consulting, security, information, etc. These include registration chambers, recruitment and certification firms, credit bureaus that provide information services on the business reputation of partners and their solvency, marketing research centers, private security and detective organizations. Medium-sized enterprises can use a combined security system. On the one hand, if necessary, receive services from external organizations, on the other – actively use the capabilities of services and departments, including: legal and financial departments, marketing, security, security, personnel, economic analysis, throughput, business. To increase the efficiency of services and units to protect the economic interests of the firm at the enterprise should be created a coordinating body or appointed one of the leaders responsible for economic security. The security service may include various departments, groups and units. Such security services are usually set up by local law enforcement agencies or the state security service. The security service of any enterprise constantly



performs a certain set of tasks. Entrepreneurial activity largely depends on interest rates on loans from the national bank, inflation rates, the provision of transport services, the competitiveness of transport work, and so on. Modern theory of competitiveness allows the trucking company to take a balanced approach to ensuring its economic stability and security. The company must take into account the actual state of affairs in the market of transport services and on this basis to determine its behavior, developing appropriate management decisions. Service market segmentation is carried out on the basis of management decisions. Market segmentation is carried out in order to maximize customer demand, profitability and economic security of the enterprise. Necessary conditions for segmentation are the division of the market into certain activities. The following conditions must be taken into account: – the degree of protection of segments from competition; – the presence of contact with the segment; – availability of information about this segment (its characteristics, features, etc.); – the ability of the enterprise to make decisions taking into account the requirements of the technology of services. The strategy of economic security can be built based on the state of the enterprise, the level of competition in the market, the profitability of the enterprise, the organization of work with customers, tariff policy, quality of service, etc. The quality of service provision is one of the main market factors of profitability, competitiveness and, accordingly, economic security. Market factors serve as effective means of ensuring economic security.

## **RESULTS**

The main tasks of the security service for any enterprise are:

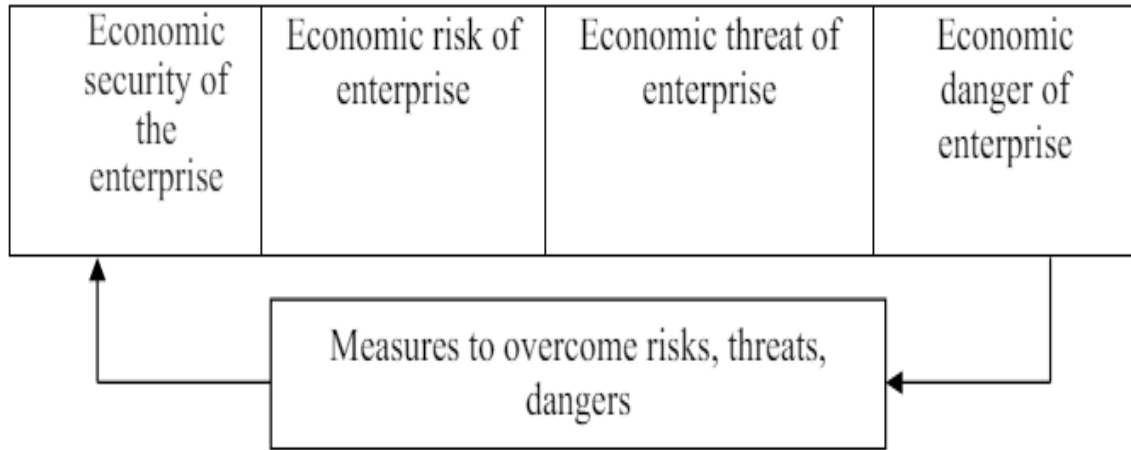
- 1) protection of production and economic activities and protection of information that is considered a trade secret of the firm (enterprise, organization);
- 2) organization of work on legal and engineering protection of trade secrets of the firm;
- 3) prevention of unreasonable admission and access to information and works that constitute a trade secret;
- 4) the organization of special record keeping, which prevents the unauthorized receipt of information classified as a trade secret of the firm;
- 5) identification and localization of possible channels of leakage of confidential information in the course of normal activities and in extreme situations;
- 6) organization of the security regime for the implementation of all activities, including meetings, negotiations and meetings in the framework of business cooperation of the firm with other partners;

7) ensuring the protection of premises, equipment, offices, products and technical means necessary for production or other activities;

8) organization of personal security of management and leading managers and specialists of the firm;

9) assessment of marketing situations and illegal actions of competitors and attackers.

The security service of the enterprise must always be ready to overcome the critical (crisis) situation that may arise due to the conflict of interests of business and the underworld. To manage security, many companies create «crisis groups», which include the head of the company, a lawyer, a financier and the head of the security service. The main goal of the «crisis group» is to counteract external threats, risks and dangers to the security of the enterprise. Thus, the economic security of the enterprise is designed on the basis of efficient use of corporate resources, create conditions for successful operation of the enterprise, timely find and minimize the effects of various dangers and threats in conditions of competition and economic risk. As commercial banks use the main part of their funds as lending, it is necessary to determine in advance the issue of full recovery of the funds from the borrower, not just for income. Because the bank, as the owner of the investment, does not sell the investment, but the right to use the investment for a certain period of time based on certain conditions and premium interest. At the moment, the concept of "problem credit" is causing much more debates and discussions by theoretical and practical scientists in our country than before. This is certainly not in vain, because today the share of problem loans in the credit portfolio of commercial banks of our republic is quite high, despite the measures to reduce it. Improving the efficiency of the economic security system of the enterprise and achieving the optimal level of economic security is its main goal. Achieving the goal requires the identification of individual goals, which can be divided according to the components of economic security. Such goals in the face of intensifying competition may be: - conquest of new and preservation of existing markets; - increase productivity; - maximization of income while minimizing costs; - ensuring the quality of services or products; - maximizing customer satisfaction; - attracting investment for the development of production processes; - development of personnel and ensuring the safety of its interests within the enterprise; - increasing the competitiveness of enterprises, goods (services), employees, etc.



**Figure 1. Components of the diagnostic system of economic security of the enterprise**

The most important part of the system of economic security of society is the security of the primary economic link – the enterprise. Privatization is actively carried out in Ukraine and today most firms and enterprises have the status of private ones. They, in turn, are the objects of increased attention of criminals because they do not have such a strong and developed system of protection as government agencies. Private property obliges entrepreneurs to engage in economic protection, a business that a few years ago was the sole prerogative of special government agencies. To date, neither the law on the enterprise, nor the law on entrepreneurship or business associations clearly defines, although they do not prohibit the right of the enterprise to its own economic security. There are many risks associated with both internal and external factors. In the course of material, financial, informational, personnel and other relations there is an exchange, consumption and movement of raw materials, materials, components, machines, machines, equipment, investments, technologies, funds, finished products (goods and services). All these connections and relationships arise in specific political, socio-economic, natural-climatic and other conditions that have developed both across the country and at the level of a particular region. It is the specific situation in a particular locality, region where the company operates, can significantly affect the results of economic activity. In conditions of competition (fair or unfair) any of the flows may be suspended or disrupted, respectively, the activities of the enterprise are constantly in danger. Conclusions Considering economic security as one of the types of security of the enterprise, it should be noted that it occupies a leading position among all other types of security. In this regard, the problem of economic security of enterprises and its monitoring is

becoming increasingly important. 538 The economic security of the enterprise is designed on the basis of efficient use of corporate resources, to create conditions for the successful operation of the enterprise, to find and minimize the effects of various hazards, risks and threats in conditions of competition and economic risk. Ensuring economic security depends on the resilience of the enterprise to threats and dangerous external and internal factors. In order to prevent the negative consequences of threats or dangers or to minimize the impact of such economic dangers, it is necessary to think in advance what methods and measures will be taken to identify risk situations and eliminate their causes at the beginning of work. their origin. When choosing methods and approaches to overcome the negative consequences of threats and dangers, it is necessary to take into account various components of economic security of the enterprise. The main importance of the economic security of the enterprise is that it should be preventive, and the main criteria for assessing its reliability and efficiency are: ensuring stable operation of the enterprise, preservation and increase of finances and material values; prevention of crises, threats, dangers and risks. The safety of the enterprise involves a system of solutions that create the conditions and meet the environment to obtain the desired end results. The security strategy allows the company to implement a system of development strategies. This is achieved through the implementation of many solutions aimed at ensuring the security of the enterprise. Identification of the state of economic security of enterprises is a mandatory component of economic security management of enterprises and makes it possible to identify both the general state of economic security and the main threats to its functional components: financial, political, legal, technical,



information, personnel, environmental, commercial, power and intellectual.

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