

THEORETICAL FOUNDATION OF THE COMPONENT MECHANISM OF SUSTAINABLE DEVELOPMENT MANAGEMENT OF TRANSPORT ENTERPRISES

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ABSTRACT

For effective adaptation to the rapidly changing conditions of the external environment and the implementation of economic activity, a necessary condition for the effective management of sustainable development is theoretical research into the mechanism of its provision according to the vector of innovation. Within the framework of this chapter, a systematic approach to the formation and implementation of the strategy of sustainable innovative development of transport enterprises is outlined, which allows determining the main methods and tools used in order to improve the efficiency of the enterprise's functioning, both in the current period and in the future. At the same time, it is important to note that the strategy of sustainable development includes two main directions – the mechanism of enterprise restructuring to achieve long-term sustainable development and the management policy of short-term sustainable development of enterprises. Methodological approaches have been developed to determine the mechanism of sustainable innovative development, which is a set of subsystems and elements that regulate the process of managing the innovative activity of the enterprise.

It is substantiated that one of the most important conditions for the functioning of the mechanism of sustainable innovative development of the enterprise is the formation of the necessary volume of financial resources. In case of limited access to financial resources of developed countries, the main source is the company's own resources. This made it necessary to develop a methodology for the formation of funds for targeted financing, which, based on the characteristics of innovative transformations, are determined by the characteristics of internal investment and venture funds.

KEYWORDS

Sustainable development, innovative development, restructuring, development strategy, systemic approach.

3.1 PECULIARITIES OF THE SYSTEM APPROACH TO THE FORMATION OF THE STRATEGY OF SUSTAINABLE INNOVATIVE DEVELOPMENT OF TRANSPORT ENTERPRISES

The functioning of a transport enterprise in the conditions of a market economy and the implementation of innovative programs is influenced by various factors of the external and internal environment. In this regard, its sustainable development involves an adequate response to

these indignations by forming a management system based on the development and implementation of an effective strategy with mechanisms embedded in it that ensure the given sustainability.

One of the conditions that determine the relevance of developing a strategy for the sustainable development of an enterprise is the transition to a new stage of the life cycle, since each of the stages is characterized by the level of investment and innovation activity, directions and forms of activity, features of the formation and distribution of resources. Thus, the strategy being developed allows the enterprise to adapt its activities in advance to future changes in the possibilities of its sustainable economic development.

In addition, an important condition that determines the relevance of developing a sustainable development strategy is a change in the goals of the company's financial and economic activity, since their implementation requires a change in the range of manufactured goods, works and services, the introduction of new technologies, the development of new sales markets, etc. As a result of this, the investment activity of the enterprise and the diversification of the forms of its activity, which should have a predictable nature, which is ensured by the necessary level of stability, significantly increase.

The process of strategic management is characterized by certain features, the main ones, according to some experts, are:

- a) the impossibility of a detailed description of the objects of analysis, according to which weakly structured tasks prevail;
- b) a high degree of uncertainty of obtaining results in the process of implementing strategic decisions;
- c) a large number of uncontrolled and partially controlled variables;
- d) lack of previous, clearly defined criteria for solving certain types of tasks and clarification of criteria in the process of solving them;
- e) the high labor intensity of this process, which requires significant costs and the involvement of highly qualified specialists [1].

This specificity is also characteristic of the process of ensuring sustainable development and should be taken into account when implementing systemic changes based on the functioning of the sustainable development management mechanism.

Considering various ways of ensuring the sustainable development of enterprises, the following are distinguished:

- an evolutionary strategy characterized by gradual, planned and stable development;
- a revolutionary strategy, characterized by a leap-like growth of the main indicators of the enterprise, which ensures the transition from one qualitative state of the system to another;
- a survival strategy implemented in the event of a crisis situation and aimed at adapting to deteriorating environmental conditions in order to preserve the enterprise's potential [2].

When implementing a strategy of sustainable innovative development, the company must decide on the target tasks and the content of this process, while three approaches can be distinguished here:

- 1) adaptive, which is considered as a set of measures to bring the company's operating conditions into line with changing market conditions;

2) systemic, which is a complex and interconnected change in structures with the aim of ensuring the stability of the enterprise in new conditions;

3) structural, which is defined as structural restructuring with the aim of ensuring effective distribution and use of enterprise resources through reorganization or liquidation of structural units, as well as absorption of other enterprises to increase investment attractiveness and competitiveness.

The implementation of each of the above approaches involves the activation of innovative activities, since the search for new technologies, forms of internal organization, as well as ways of implementing external relations, markets and products is a source of sustainable economic development.

The development of a strategy for the sustainable development of an enterprise at the modern innovative stage of economic transformation is based on the methodological principles of the concept of strategic management. This concept reflects the strategic positioning of the enterprise, presented in the system of principles and goals of its operation, the mechanism of interaction between the subject and the object of management, as well as the nature of the relationship between the elements of the economic and organizational structure and the forms of their adaptation to the changing conditions of the external and internal environment.

Strategic management was formed through the development of the strategic planning methodology, which is its essential basis, instead, it is based, first of all, on the clear identification of the objects of this management, among which the following main groups are usually distinguished: the enterprise as a whole; strategic economic zone; strategic economic unit. In this regard, in relation to the management of the strategy of sustainable development, it is important to develop such a management system that would ensure the coverage of all groups of objects.

In our opinion, the essential characteristics of a company's sustainable development strategy in the light of the strategic management paradigm are:

1) the strategy of sustainable development is one of the types of functional strategies of the enterprise;

2) in the system of functional strategies, the strategy of sustainable development should occupy a prominent place, since it defines and integrates the activities of all divisions in the process of forming and implementing the system of enterprise strategies, primarily functional strategies;

3) the strategy of sustainable development covers all the main areas of activity and relations of the enterprise, which follows, first of all, from the content of strategic management, the most important function of which is the formation of this strategy;

4) the process of developing a sustainable development strategy determines the need for the formation of specific goals for the long-term sustainable development of the enterprise;

5) the process of forming a sustainable development strategy determines the choice of effective directions for achieving the set goal, that is, it is ensured by the search and assessment of alternative options for possible strategic solutions and their selection according to the criterion of sustainability;

6) the strategy of sustainable development is designed to take into account the changes occurring in the external environment during the development of the enterprise, and to respond adequately to these changes, which is an important quality of any strategy;

7) adaptation of the strategy of sustainable development to the changing conditions of the external environment is ensured, first of all, by the effective use of the mechanism of sustainable development, focused on increasing the sustainability potential of the enterprise and the directions of resource use.

Let's present the main factors that, in our opinion, form the strategy of sustainable development of transport enterprises in the conditions of structural restructuring on an innovative basis (**Fig. 3.1**).

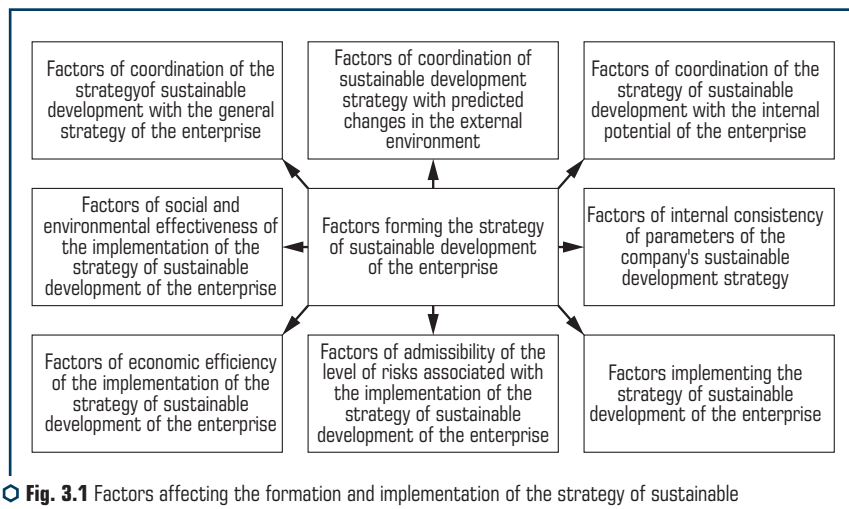


Fig. 3.1 Factors affecting the formation and implementation of the strategy of sustainable innovative development of the transport enterprise
Source: author's development

The implementation of the sustainable development strategy forms the basis of the development of long-term and short-term management policies for sustainable innovative development of the enterprise.

The mechanism of sustainable development plays the role of an impulse that activates the elements of the enterprise's structure, and functions through the development and implementation of an appropriate strategy based on a systemic approach, which is the study of objects as a system.

The system approach is a methodological direction of research, the basis of which is the consideration of the object as a whole set of elements in a set of relations and connections between them. The systematic approach to the development of the enterprise's sustainable development strategy is characterized by the observance of methodological principles:

1. The principle of purposefulness, i.e. determination of strategy goals, taking into account the construction of a tree of goals.
2. The principle of heredity, characterized by the regularity of transmission of dominant and recessive traits at separate stages from the current strategy to the newly implemented one.

3. The principle of priority of quality, i.e., the practice of strategy implementation shows that the most effective value for the enterprise is the priority of the quality of development, strategy implementation and management decisions.

4. The principle of optimality, which characterizes the degree of satisfaction of the requirements for the implementation of the strategy to achieve the planned goals, which ensure the best use of its potential.

5. The principle of reliability, which in turn is determined by such characteristics as uninterrupted functioning, preservation of system parameters during the planned period of time, stability of the system in the process of strategy implementation, etc.

The assessment of the developed sustainable development strategy allows to answer the question whether this strategy will lead the company to achieve its sustainable development goals under the conditions of changes in external and internal environmental factors. In our opinion, this assessment should be based on the use of such parameters as:

- 1) consistency of the company's sustainable development strategy with the mission and corporate strategy of the transport company;
- 2) consistency of the company's sustainable development strategy with predicted changes in factors generated by the environment;
- 3) consistency of the company's sustainable development strategy with the level of its internal potential;
- 4) internal balance of the main parameters of the company's sustainable development strategy;
- 5) degree of implementation of the developed sustainable development strategy;
- 6) acceptability of the level of commercial risks associated with the implementation of the company's sustainable development strategy;
- 7) level of economic efficiency of the implementation of the company's sustainable development strategy.

In the system of strategic management, the most important stage is the management of the implementation of the developed strategy of sustainable development of the enterprise. The main task here is to create the necessary prerequisites and conditions at the enterprise for achieving the ultimate strategic goals of its modernization and sustainable development. This process is characterized by the following main features:

- a) the management of the implementation of the sustainable development strategy is aimed not so much at the mandatory implementation of all strategic decisions, but at the achievement of the main goal – the sustainable development of the enterprise;
- b) the successful implementation of the enterprise's sustainable development strategy allows to obtain an additional effect, since at this stage there is an opportunity to eliminate mistakes made at the stage of its development;
- c) at this stage, there is a shift in the emphasis of strategic management, since the main management efforts take on the character of direct actions;

d) in the process of implementing the strategy of sustainable development, an important prerequisite for success is the construction of effective communication links and a system of motivation of personnel related to this process.

Thus, it can be noted that the systematic approach to the formation and implementation of the strategy of sustainable innovative development of transport enterprises allows to determine the main methods and tools used in order to increase the efficiency of the enterprise's functioning, both in the current period and in the future. At the same time, it is important to note that the strategy of sustainable development includes two main directions – the mechanism of enterprise restructuring to achieve long-term sustainable development and the management policy of short-term sustainable development of enterprises, which must be considered in more detail.

3.2 DEVELOPMENT OF A MECHANISM FOR RESTRUCTURING THE TRANSPORT ENTERPRISE TO ACHIEVE LONG-TERM SUSTAINABLE DEVELOPMENT

The long-term sustainable development of transport enterprises is largely determined by their level of competitiveness, which largely depends on the existing potential, which, in turn, is ensured by the activation of investment and innovation activities, since the search for new technologies, forms of internal organization, methods of external relations, markets and logistics connections is a source of economic development [3].

The main direction for the majority of transport enterprises of Ukraine, which creates conditions for sustainable development, is the restructuring mechanism aimed at the activation of innovative activities.

Restructuring determines the most important characteristic features of the innovation process, the main of which are novelty, the direction of changing the current state and the introduction of innovations.

Forecasting the restructuring of the enterprise requires a clear understanding of the goals, tasks, implementation mechanism and determination of the amount of necessary resources. In this, the majority of authors [4, 5] investigating the problems of corporate transformations agree that the strategic goals of restructuring are to increase the value of equity capital and ensure long-term sustainable development due to the effective use of resources and the introduction of innovations. At the same time, the main tasks of restructuring, from the point of view of these authors, are:

- optimization of the organizational and functional structures, as well as the management system of the enterprise in accordance with the strategic goals of its development;
- reengineering of business processes, primarily commercial and financial activities, with the aim of improving indicators;
- optimization of the quantitative and qualitative composition of personnel.

In addition to the listed tasks, a number of specialists [6] are considering such things as modernization and technical rearmament of the existing production base of the enterprise based on the intro-

duction of innovative technologies, reorganization of the management system and the use of human resources, a qualitative change in relations with consumers and the creation of a new client group.

It can be noted that the priority goal of restructuring is to increase the value of the enterprise's capital based on increasing its potential due to innovative activity by ensuring sustainable development and increasing the efficiency of operation. Moreover, in the process of restructuring, the following tasks must be solved: increasing the competitiveness of the enterprise in a strategic perspective; increasing its adaptive properties to the changing market environment.

In this regard, the following main reasons for restructuring can be named:

- a) significant changes occurring in the external environment and negatively affecting current and prospective sustainability;
- b) formation of new strategic areas of enterprise development;
- c) impossibility of achieving the set goal by other means, etc.

For greater effectiveness of the restructuring management process, it is important to define the subject, mechanism and methods of the intended transformations, that is, the restructuring complex. It should be noted that the subject of the restructuring complex is the basic subsystems of the enterprise's functioning, and the restructuring management mechanism is a set of used tools, methods, models, regulations and principles that ensure effective management of these transformations. Moreover, the management mechanism is the most active part of the restructuring complex, which provides a decisive influence on the factors affecting the effectiveness of the process [6].

The restructuring process is carried out in a certain sequence, which can be characterized as follows.

At the first stage, a comprehensive assessment of the enterprise is carried out, including diagnostics of all directions, functions and subsystems of the enterprise. Diagnostics is necessary to identify problems of enterprise development, identify strengths and weaknesses in financial and economic activity, and consider opportunities and threats to functioning. At the same time, in the process of conducting the assessment, a diagnosis of the implementation of the current development strategy is made, the trends occurring in the external environment are analyzed, the financial condition, investment and innovative attractiveness and other aspects of the activity are studied.

At the second stage, taking into account the data obtained in the process of the conducted assessment, the need for restructuring is substantiated, as well as the forecast results of the activity as a result of its implementation and without the implementation of these transformations are compared.

At the third stage, the project is directly developed and the direction of the planned restructuring is agreed, and at this stage, several alternative options are formed taking into account possible changes in the environment and the level of risk of transformation, including the selection of the optimal one. In addition, in the process of project development, strategic goals are formed, qualitative and quantitative parameters of the project are determined, taking into account resource limitations.

At the fourth stage, the necessary resources (personnel, financial, material, technical, etc.) are formed in order to successfully implement the planned activities.

At the fifth stage, the measures of the restructuring project are implemented, that is, the transformation of the basic subsystems of the enterprise is carried out based on the use of motivation and controlling mechanisms in compliance with the necessary proportions that ensure the given stability.

At the sixth stage, the results of the transformations are analyzed on the basis of the monitoring system, and in case of significant deviations of the actual indicators from the target parameters, the company's development strategy is adjusted.

Solving the formulated problems requires consideration and determination of the conceptual provisions of the management system of restructuring processes in the development and implementation of the company's sustainable development strategy.

The sustainable development of the enterprise is determined, first of all, by ensuring economic growth and the formation of higher potential based on innovative activity, in connection with which, in the process of transformations, there is a violation of the balance of subsystems, therefore, the formation of a mechanism that ensures the stability of functioning at a new level of development is of great importance.

In our opinion, the methodological basis of the management system of the restructuring mechanism, aimed at ensuring strategic sustainability, is the following provisions:

1) radical changes that determine the level of development of the enterprise, aimed at the transition of the system to a different qualitative state, which is carried out in the conditions of changes in the interaction of the internal structure, technologies and processes with the external environment. The transition of the enterprise to a qualitatively new state creates the prerequisites for the emergence of promising directions of development, additional competitive advantages, changes in the enterprise's position on the market, an increase in the level of operational efficiency and the provision of sustainable long-term development;

2) radical changes carried out at the enterprise determine the need to significantly shorten the period of reaching such a state that ensures a new level of development, while the marginal reduction of the restructuring period allows for a shorter period of time to ensure a stable state of the enterprise, at the same time, accelerated development leads to an increase in cost implementation of works, as they are implemented in a forced mode [7];

3) a significant transformation of the company's activity involves the complexity of the planned changes, while the complexity of the changes expresses a systematic approach to the implementation of transformations, which includes: the formation of a single development strategy based on the coordination and harmonious combination of the main vectors of the projected transformations; complex transformation of the basic subsystems of the enterprise, which allows to reduce the degree of their inconsistency at a new level; unification of measures carried out with the aim of spreading the positive results obtained in individual segments to the entire system; strengthening competitive advantages by transforming the weaknesses of the company's current activities;

4) radical changes in the development of the enterprise cause the need to increase the level of adaptation to changes in the environment in the process of restructuring, that is, if an adequate reaction to changes in the external environment does not occur, then this will lead to a decrease

in the potential of the development of the enterprise, a loss of competitiveness, an increase in the imbalance between the existing state of the system and requirements of the external environment;

5) the restructuring carried out for the enterprise places increased demands on the management system of innovative transformations, that is, in the process of radical changes, it is also necessary to maintain the current functioning at the required level, which leads to an increase in the volume of controlling influences and requires increased manageability;

6) the development of the enterprise through the implementation of restructuring involves the formation of a new development inertia in the perspective direction of the enterprise's functioning, which affects the process of transformation, the achievement of strategic goals and ensuring its sustainability;

7) qualitatively new transformations of the enterprise provide for the maximum concentration of all resources in order to reduce the terms of restructuring as much as possible and ensure its comprehensive implementation.

Accordingly, it can be noted that in order to ensure the necessary level of sustainability during the implementation of restructuring processes, it is necessary to achieve a sufficient margin of financial strength of the enterprise operating in conditions of uncertainty and increased risk generated by the influence of environmental factors and social policy.

The process of intensive innovative development is largely determined by radical strategic changes that form a higher level of development and is the main object of management in the process of enterprise restructuring, in connection with which an important methodological problem is the determination of the interdependence of development processes and the action of the restructuring mechanism. At the same time, it should be noted that the restructuring process is primarily aimed at increasing the development potential, as well as increasing the efficiency and market value of the enterprise, and the most significant, in our opinion, is the management of the enterprise's development potential.

The potential of the enterprise determines the scope of the stock of opportunities for development and includes the following main components:

- a) production potential that ensures the necessary rates of economic growth;
- b) financial potential, which creates prerequisites for ensuring the necessary margin of financial stability;
- c) investment potential, which ensures the implementation of investment projects aimed at increasing the level of technological potential;
- d) innovative potential, which determines the company's prospects and capabilities for the development and implementation of modern, cutting-edge technologies and products;
- e) marketing potential, which makes it possible to strengthen and expand the company's position on the market and reflects the strategic level of competitiveness;
- f) labor potential, which characterizes the capabilities of the company's personnel to master new functions, as well as increase the volume and quality of performed work;
- g) other types of potential of the enterprise, which determine development opportunities.

Potential management is aimed, first of all, at the transformation of the existing potential of current functioning, the formation of a mechanism for the accumulation of potential for prospective development and the realization of potential for the purpose of comprehensive innovative transformation, in turn, the growth of potentials is ensured by the implementation of reengineering and modernization.

Determining balanced proportions and ratios, which allow to ensure a given degree of sustainability of the enterprise, is possible through the development of relevant norms, standards and ratios, while the sustainable development of the enterprise is a complex concept that responds to the influence of each production component, resulting in the emergence of an unstable state of the enterprise in the process development is associated with a violation of established economic proportions and relations.

Important problems are the development and implementation of a management strategy for each type of enterprise potential and their totality. It should also be noted that potential management is primarily aimed at transforming the potential of current functioning, forming a mechanism for accumulating potential for prospective development and realizing potential with the aim of comprehensive transformation, while the growth of potential is ensured by reengineering, reorganization and modernization.

The system of interconnection of management of sustainable development and restructuring is determined by the transformation of development potential (**Fig. 3.2**).

The management of the sustainable development of the enterprise on the basis of restructuring is based on certain principles and criteria for the implementation of forecasted measures, and the specificity of the study of these elements is the need for methodological substantiation of the construction of restructuring processes and the main directions of their analysis. This depends on the fact that the sustainable innovative development of enterprises appears as a complex and multifaceted process, carried out under the conditions of uncertainty of the influence of the external environment, and accounting for this circumstance requires a systematic approach from management.

The management of strategic innovative development determines the state and position of the enterprise in the future, ensuring the consistency, systematicity and predictability of the transformation of this economic system [8]. In this regard, the management of the sustainable development of the enterprise is a set of principles, criteria, methods and methods aimed at implementing changes that ensure the optimal trajectory of the enterprise's development in the conditions of changes in the external environment.

The method of forming a system of methods of corrective influences on the transformation process to ensure the sustainability of development is necessary due to the fact that changes in the external and internal environment generate risks of possible deviation from the planned development trajectory. Management of the system of methods of corrective effects has a certain specificity, which consists in the fact that it is necessary to clearly determine the state of the enterprise in accordance with sustainability criteria and compare the obtained data with forecast parameters, and in case of exceeding the permissible values, the deviation data serve as the object of influence of correction methods.

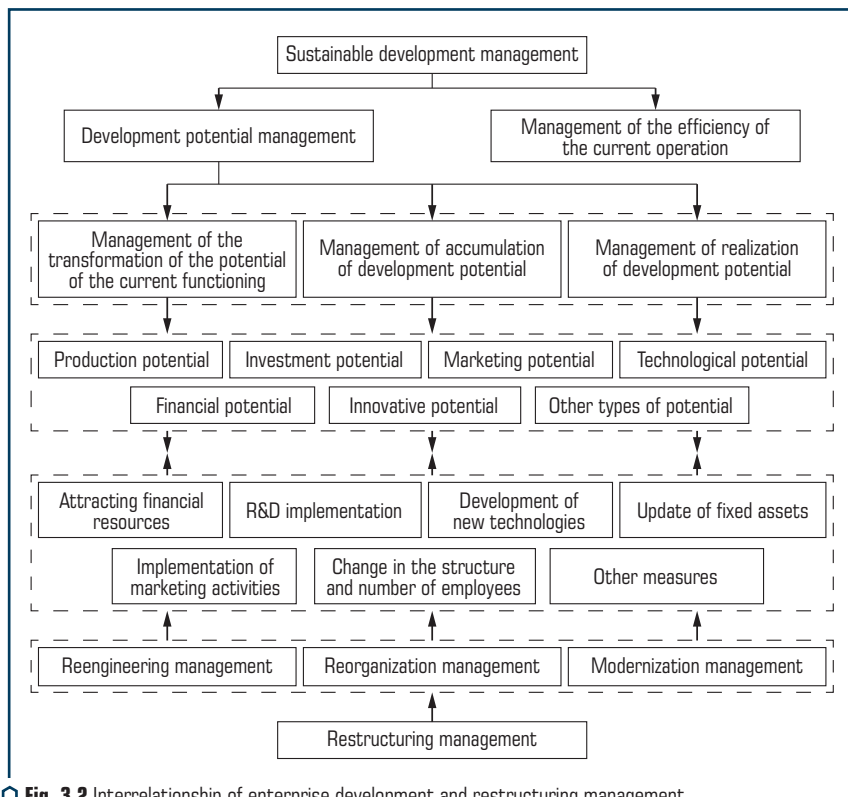


Fig. 3.2 Interrelationship of enterprise development and restructuring management
 Source: author's development

Having considered the methodological aspects of transformations carried out at enterprises within the framework of the strategy, it is necessary to characterize the methodology of managing organizational and economic transformations in the process of enterprise development.

3.3 FORMATION OF THE POLICY OF SUSTAINABLE DEVELOPMENT OF TRANSPORT ENTERPRISES IN THE SHORT TERM

Ensuring the sustainable development of transport enterprises in the short term is largely related to an effective system of managing economic resources, primarily working capital, while the system of organization and management of economic resources of enterprises of the transport complex is largely determined by the peculiarities of their functioning.

Transport appears as an independent branch of the economy, uniting enterprises of various orientations. At the same time, the sustainability of such enterprises is characterized by a set of indicators that reflect the processes of formation and effective use of available resources.

The conducted studies showed that the economic, technical, and technological features of transport enterprises are of the most importance for studying the economic sustainability of transport enterprises. The conducted survey of managers of transport enterprises showed that entrepreneurial activity is limited by economic factors that determine the economic sustainability of enterprises in the short term. In this regard, the sustainable functioning of enterprises under the conditions of a market economy requires the development of an appropriate policy of sustainable development, taking into account the full and effective use of available resources.

Assessing economic stability, counterparties and owners have the opportunity to substantiate management decisions in the field of current activity, to assess the level of efficiency in the process of formation and distribution of economic resources, that is, to develop an economic policy adequate to the existing conditions, taking into account what to determine the main parameters of the sustainable development of the enterprise.

The analysis of the methodological directions of the organization and management of economic resources shows that, in relation to transport enterprises, the economic policy includes:

- a) development of the concept of management of economic resources, which should ensure an optimal combination of the level of profitability and commercial risks;
- b) justification of the main directions of the use of economic resources in the current and strategic periods, taking into account changes in the macroeconomic and regional situation, with the aim of ensuring economic growth by achieving a stable state.

The formation of sustainable development policy in the short term includes the management of stocks, money and flows.

The main goal of stock management is to create such a quantity that, on the one hand, would be sufficient for the smooth operation of the enterprise, and on the other hand, would minimize the total costs of their maintenance. According to the definition of Ihor Blank, "inventory management policy is part of the company's current asset management policy, which consists in optimizing the overall size and structure of inventories of commodity and material values, minimizing the costs of their maintenance and ensuring effective control over their movement" [9].

Management of the process of formation and sale of stocks acts as the main subsystem of management of the operating cycle and determines the characteristics of the dynamics of the cycle, as well as the degree of its deviation from the steady state. At the same time, the main directions in the inventory management system to ensure sustainable development are:

- a) analysis of stocks for the current period;
- b) optimization of the warehouse stock of the level of inventories of goods and material values;
- c) determination of the optimal system for placing orders with suppliers;
- d) formation of the value of the insurance reserve, which ensures the necessary efficiency in the process of carrying out production and economic activities.

The need to manage monetary assets is determined by the following factors: monetary assets and flows serve almost all types of economic activity of the economic system; management of cash flows and assets creates an opportunity to ensure economic stability at the enterprise in the long term; rational formation of cash assets and flows allows to reduce the enterprise's need for loan capital; effective management of cash assets and flows ensures the acceleration of the turnover of the enterprise's capital, increases its liquidity and reduces the risk of insolvency.

The main goal of monetary asset management is to ensure the constant solvency of the enterprise, which is why in practice monetary asset management is quite often equated with solvency management (or liquidity management). Therefore, an important task of management in the process of managing monetary assets is to create conditions for the effective use of temporarily free funds, as well as their investment balance.

Effective money management largely depends on the organization of management and the abilities of managers who, in order to achieve sustainable development, use the following methods:

- 1) synchronization of cash flows, which ensures, on the basis of high accuracy of forecasts, the combination of cash receipts with cash payments, reducing the current account balance to a minimum;

- 2) the use of funds on the road, which is the difference between the balance of funds reflected in the company's current account and the balance according to bank documents;

- 3) acceleration of cash receipts, in its practice, the enterprise allows considering several methods that can be used to accelerate calculations;

- 4) control of payments, since effective results can be achieved under the condition of management, and both income and expenses.

To maintain economic sustainability, the enterprise needs to forecast the conditions for its preservation and determine the values of various forecasted parameters, while choosing one of three parameters (net working capital, need for working capital or funds). Accordingly, forecasting the values of other variables depends on the value of the selected parameter, and in the process of managing monetary assets and flows, the following methods of forecasting the economic sustainability of the enterprise are used:

- 1) extrapolation methods, which are based on the assumption of the existence of a direct relationship between net working capital (or short-term cyclical need for financing) and the volume of services provided;

- 2) the method of terms of turnover, the purpose of which is to determine the financial needs generated by the business cycle;

- 3) budgeting of funds, which is the development of a plan of cash receipts and payments of the enterprise for all types of its activities;

- 4) planning of income from economic activity based on the plan of monthly provided services.

One of the tasks of money management is the creation of opportunities for the formation of the necessary amount of cash income and the investment of their surplus for the purpose of obtaining profit, fulfilling payment obligations and insurance in case of unforeseen situations.

The optimization of the average balance of the company's monetary assets is ensured on the basis of the calculation of their required amount in the forecast period according to the following elements:

- a) optimization of the current balance is carried out based on the volume of future payments from all types of activities;
- b) the need for an insurance balance is determined based on the amount of their current balance and the coefficient of variation of the receipt of funds for certain periods of the previous year;
- c) the need for investment balance is predicted based on the financial capabilities of the enterprise after ensuring the need for other types of cash balances;
- d) the need for a compensatory balance is forecasted in the amount determined by the banking service agreement.

In this, the total volume of the average balance of funds in the forecast period is calculated by summing up all the calculated needs in individual types.

In the domestic practice and the practice of foreign countries, the mechanism for ensuring sustainability is based on the application of various models for determining the average balance of monetary assets, while the Baumol model, the Miller-Orr model, etc. are used to a greater extent. At the same time, these models of optimizing cash balances to ensure the sustainable development of transport enterprises are quite difficult to use in the domestic practice of management systems due to the lack of current assets, the underdevelopment of the market for short-term financial instruments and other factors that make it difficult for enterprises to form optimal cash balances.

The most important prerequisite for the optimization of cash flows is the study of the factors affecting their formation (**Table 3.1**).

◆ **Table 3.1** Factors determining the formation of cash flows of a transport enterprise

External factors	Internal factors
Change in the commodity market situation	Stage of the life cycle of the enterprise
Change in the financial market situation	Duration of the operating cycle
Taxation level of enterprises	Seasonality of production and sale of products
Practice consisting of lending to suppliers and buyers of products	Urgency of implementing investment programs
Payment forms used by enterprises	Applied depreciation policy of the enterprise
Availability of loan funds	Operating leverage ratio

Since most transport companies are faced with a shortage of funds, they should strive, on the one hand, to accelerate the attraction of monetary assets, and on the other hand, to slow down the payment of funds to acceptable volumes and terms (**Table 3.2**).

● **Table 3.2** Measures used by the enterprise in case of shortage of funds

To accelerate the mobilization of funds	To slow down the turnover of money
<ol style="list-style-type: none"> 1. Increasing the volume of price discounts in the case of using cash payment during the provision of services. 2. Receiving partial and full prepayment for the services provided. 3. Shortening the terms of providing commercial credit to buyers of services. 4. Acceleration of collection of overdue receivables. 5. Application of modern forms of refinancing receivables (factoring, forfeiting, accounting of promissory notes, etc.). 6. Sale (leasing) of unused fixed assets 	<ol style="list-style-type: none"> 1. Extending the term of the commodity credit for purchased services. 2. Restructuring of short-term credits and loans into long-term ones. 3. Application of leasing operations for implementation of investment projects. 4. Reduction of the amount of fixed costs of the enterprise

In the presence of excess cash flow, it is advisable to use methods aimed at increasing its investment activity, including:

- a) acceleration of the implementation of real investment projects;
- b) long-term repayment of credits and loans;
- c) carrying out diversification of economic activity;
- d) formation of a portfolio of financial assets.

Based on the results of the mentioned directions, the following tasks can be determined, the solution of which is necessary for the implementation of the strategic directions of the development of transport enterprises:

- 1) maximization of the enterprise's profit for the development and expansion of the enterprise;
- 2) formation of a mechanism for effective management of economic resources to achieve strategic goals of the enterprise, adequate to modern market conditions, and search for ways to achieve them;
- 3) optimization of the used assets in order to achieve the required level of liquidity, solvency, creditworthiness and economic balance, which allow to reach the necessary rates of economic development;
- 4) optimization of the capital structure to reduce the level of entrepreneurial risks and minimize the cost of financial resources involved;
- 5) improvement of the price policy to increase the volume of services provided and ensure the financial strength of the transport enterprise;
- 6) application of modern innovative technologies to reduce costs, increase competitiveness and quality of provided services.

One of the most important conditions for the functioning of the mechanism of sustainable innovative development of the enterprise is the formation of the necessary volume of financial resources. In case of limited access to financial resources of developed countries, the main source is the company's own resources. This made it necessary to develop a methodology for the formation of funds for targeted financing, which, based on the characteristics of innovative transformations, are determined by the characteristics of internal investment and venture funds.

3.4 DISCUSSION OF THE RESULTS OF THE MANAGEMENT MECHANISM FOR THE SUSTAINABLE DEVELOPMENT OF TRANSPORT ENTERPRISES

Adequate response of management structures of economic entities to market challenges is carried out with the help of the implementation of a set of entrepreneurial strategies with embedded resources of an organizational and managerial nature. In this regard, methodological approaches and economic tools for the formation of a complex of entrepreneurial strategies of economic systems, which ensure their sustainable innovative development, have been developed.

The definition was formulated, the levels were identified, and the stages of formation and implementation of entrepreneurial strategies, which determine the sustainable innovative development of enterprises, were developed.

To ensure the long-term stability of the enterprise, it is necessary to increase its strategic potential, which is carried out as a result of reinvestment, restructuring, diversification. This strategy acts as a tool of the management system of the transport enterprise and is implemented on the basis of the development of various policies that determine the directions of innovative management of the economic entity [10]. At the same time, a scheme for managing the sustainable development of transport enterprises is proposed, which can be used to model the intra-company process of managing the sustainable development of enterprises.

The implementation of the strategy and, accordingly, various types of sustainable development policies form the basis of the use of the appropriate mechanism. In this regard, methodological approaches have been developed to determine the mechanism of sustainable innovative development, which is a set of subsystems and elements that regulate the process of managing the innovative activities of the enterprise.

The next stage of research should be the substantiation of indicators of sustainable development, to which the next chapter 4 will be devoted from the standpoint of preventive anti-crisis management.

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