## **Marketing**

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# IMPROVEMENT OF LOGISTIC ACTIVITY IN CONTROL SYSTEM AN INDUSTRIAL ENTERPRISE

**Problem statement.** Modern requirements of the competitive environment require industrial enterprises to optimize the costs associated with the creation and accumulation of stocks, in particular, the synchronization of the processes of delivery of material resources and finished products in the necessary quantities when they need the relevant links of the production system and distribution. Due to changes in the environmental processes, the operation of industrial enterprises requires the application and introduction of the newest methods in their management. At the same time, it is not enough to make effective management decisions, to strive for the efficiency of conducting business in general

This requires an in-depth study of modern management practices, in particular, logistics based on traditional approaches and is a driving element of production management and resource management processes.

Analysis of recent research and publications. Significant contributions to the formation, development of the theory and methodology of logistics were made by representatives of leading foreign and domestic scientific schools, such as I. Aksenov, B. Anikin, M. Aristarkhova, A. Hadzhinsky [2], O. Deineka, L. Dykan, Y. Zadvorny, V. Kopytko, D. Lambert, M. Oklander, A. Polyanska, T. Rodkina [1], J. Fern, L. Sparks, J. Stoke, L. Frolova and others.

Despite the emergence of a large number of works on logistics, some of the fundamental issues of forming the logistic concept of industrial-industrial enterprises are researched less well-researched. Most Ukrainian industrial enterprises at the present stage lack understanding and strategic vision of managing logistics processes and do not pay sufficient attention to optimization and improvement of these processes, focus on maximizing profits in the short-term.

The aim of the article is the formation of conceptual approaches to the improvement of logistical activities in the management system of an industrial enterprise.

**Presenting the main material.** The development of the economic sectors requires additional reserves for expansion of production capacities of enterprises, storage, processing and transportation of products and

goods. It is logistics that allows you to link the economic interests of the product manufacturer and its consumer. As the emergence and development of new organizational forms, implementing the processes of movement of goods, are becoming increasingly important integration forms of management and coordination, providing logistical processes for the interaction of enterprisesmanufacturers, consumers, intermediaries, warehouses and transport [1].

According to the World Bank's 2016 index of logistics efficiency (LPI), Ukraine ranks 80th among 160 countries (in 2014 - 61st place). The constituent parts of this index are: 116 positions on the indicator of customs clearance of goods, 54 - on the timeliness of delivery of goods to destinations [3]. The relations that go beyond the industrial enterprise are affected by a significant number of random environmental factors, which are poorly subject to analysis and forecasting, which are interconnected in complex interconnectivity and interconnectivity. The use of logistics in the management process of an industrial enterprise should be carried out systematically.

There are four consecutive stages of development of logistics systems. The first stage of the development of logistics has the following characteristics: enterprises work on the basis of the implementation of variable-daily scheduled tasks; the form of logistics management is the least advanced; the scope of the logistics system is related only to the organization of the conservation of finished products and its transportation. The system operates on the principle of direct response to daily fluctuations in demand and problems in the process of product distribution.

The effectiveness of the logistics system at this stage of its development at the enterprise is estimated by the amount of the share of transportation costs and other operations on distribution of products in the total profit of the enterprise [2].

At the second stage of development, the control of the logistics system extends to such functions as: customer service; order processing; preservation of finished products at the enterprise; stock management of finished products; logistics system work planning. To perform these tasks, appropriate computer programs are used, which makes it possible to simplify the process of assessing and substantiating management decisions.

At the third stage of development, logistics enables to control logistics operations – from procurement of raw materials to service to the end user of products. Additional functions of this stage are: delivery of raw materials to the enterprise; sales forecasting; production planning; extraction or purchase of raw materials; management of stocks of raw materials or work in progress; design of logistics systems [2].

The fourth stage of logistics system development is similar to the third, but it has one difference. At this stage, the processes of planning and controlling logistics operations with marketing, sales, production and finance operations are integrated.

Such integration contributes to the fact that the opposing objectives of different divisions of the enterprise are periodically associated, the management of the system is carried out on the basis of long-term planning, and the work of the system itself is assessed in accordance with the requirements of international standards [2].

In order to provide an effective management system for an industrial enterprise, it is necessary to have, first and foremost, well-thought out concepts of the manufacturer, the consumer and the concept of the logistics system of the enterprise as a whole.

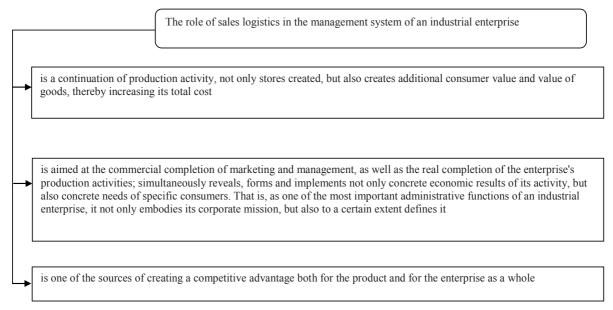
The formation of conceptual provisions on logistic management of sales activities as an important compo-

nent of the enterprise management system requires a certain streamlining of the conceptual apparatus and the clarification of the essence and the relationship between such concepts as "sales", "marketing activity", "marketing logistics", "logistics management".

The study and systematization of scientific approaches to the essence of the concept of "sales" from the standpoint of logistics management makes it possible to consider it not as the final stage of the relationship between the seller and the buyer, and a complex process, which includes all operations and a set of measures for transportation, storage, storage, development, promotion to wholesale and retail trade points, pre-sale training and direct sale of goods, taking into account the location of the manufacturer and consumer.

In this approach, the sales activity of the enterprise (as a set of measures onproduct sales) and its efficiency (as the maximum possible economic effect of the implementation of the trade agreement at each stage of product promotion) is the result of the coordination of interests and requirements of the manufacturer, intermediaries and consumers [4].

It is worth noting that sales activity in the conditions of implementation of the model of logistic management of the enterprise turns into its most important functional component, which determines not only the effectiveness of economic activity, but also the prospects for its further development (fig. 1).



**Fig. 1. The role of sales logistics in the enterprise activity** [formed by the authors on the basis of the source 7]

The main criterion for evaluating the model of logistics management marketing activities there are new opportunities for creating added value and ensuring the competitiveness of the enterprise. Effectiveness of logistics management sales activities determined a combi-

nation of conditions and factors (internal and external), namely:

1) a system of economic relations, which should be evaluated first of all: the current system of relations in the field of commodity-money exchange [5; 6]; terms

of bringing goods from the manufacturer to consumers; a complex of relationships that include legal, commercial and technological operations; conditions for the realization of the economic interests of the producer (obtaining business profits) on the basis of satisfying the effective demand of consumers [7, p. 50-60];

- 2) the conditions and possibilities for reconciling the interests of the manufacturer and the consumer: the reasonableness strategic decisions in the field of sales in general and strategies for the sale of a particular product to a particular buyer [8], the conditions for maximizing the benefits of the sale of a trade for each of the partners with the primary consideration of interests and requirements of the intermediate or end-user [9];
- 3) the complexity of the enterprise management system, taking into account the concept of logistics sales, which involves the assessment of such processes: the availability and effectiveness of the chosen strategy of enterprise management; complexity of procedures (actions, operations) promotion of finished products to the market for business profit; organization of commodity exchange of finished products for obtaining business profit;
- 4) the integrity of the process of logistics management marketing activities, which should cover: planning volume of sales of goods taking into account the expected level of profit; search and selection of the best supplier partner (buyer); bidding, including price setting in accordance with the quality of goods and the intensity of demand; Identification and active use of factors that can accelerate sales and increase profits from sales [10].

The effectiveness of the sales activity of an enterprise is determined by the aggregate indicators of economic activity, which should be evaluated from different positions of application. The combination of quantitative and qualitative criteria and indicators, as well as through comparison the received economic result from the sales activities of the enterprise with the costs of its achievement (labor costs, material costs, other costs) and resources used (labor, production facilities, financial resources).

Conceptually important, therefore, is the approach in which sales activity should be considered as a process of organizational and economic operations, which includes the marketing aspect (research and analysis of market conditions, determination of sales volumes, selection and management of distribution channels) and the logistic aspect (transportation, warehousing, inventory management, order maintenance) and is carried out to achieve economic results from sales of products to consumers and create a positive image of the company in the market.

This approach should be the basis for the formation of a logistics management system sales activities of the enterprise, which is an integral part of the organization of production activities of the enterprise.

In fact, the concept of logistics management is a meaningful set of views on the object (fragment) of reality, their way of understanding and interpretation.

At the same time, it is she who acts as a leading idea in the system of theoretical and methodological knowledge (characteristics, parameters); Organically combines and implements cognitive, hermeneutical and methodological functions, providing the subject with knowledge of the surrounding reality, methods and facts of cognition, developing schemes for its interpretation and explanation. These concepts are the promotion (provision) of the industrial and commercial activity of the industrial enterprise as a streaming process in order to achieve efficiency and competitiveness for enterprises that are participants in the supply chain.

Accordingly, the concept of logistics is a set of special rules and methods for organizing and managing the movement of stocks, based on the understanding and implementation of this idea. It is logistical concepts for business organization that is a paradigm, a guiding idea, a platform for business support. The emergence and development of logistics concepts are closely related to the evolution of business in industrialized countries. But scientific discussions about the definition of the essence of this derivation are also at the present stage, it is believed that the concept of logistics is:

- a system of views on the improvement of economic activity through the streamlining of material flows;
- formation of conceptual approaches to the implementation of economic compromises, that is, the harmonization of economic interests;
- the way of thinking, the philosophy of activity, according to which partial optimization of the logistic functions performed together should be avoided by identifying the real possibilities for their balance and ensuring the delivery of the goods "on time" and so on.

A significant amount of logistic concepts in the general approach can be reduced to two general general conceptual provisions:

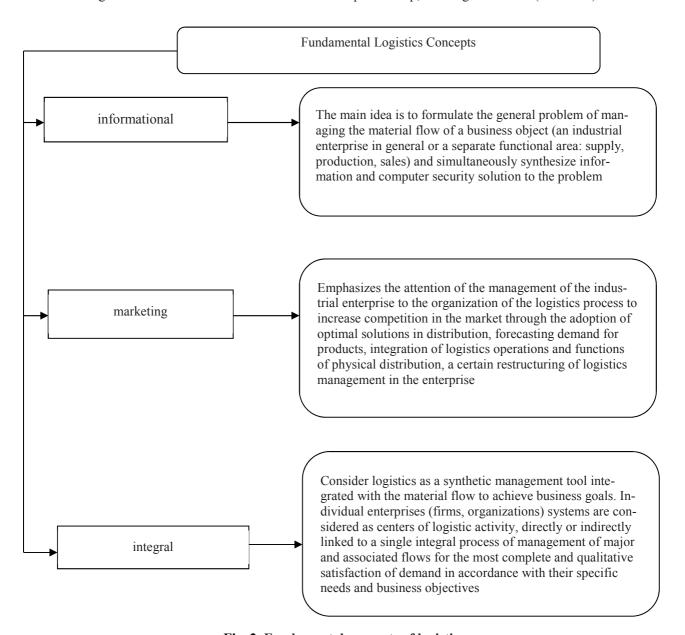
- 1) the object of logistics is a certain multi-level flow process with variations of combinations of its components;
- 2) the concept covers a certain system integrity of the elements of the streaming process, as well as some aspects of its formation and flow.

The concept of building logistics systems includes the following key approaches and directions of research when creating or analyzing: a system approach; accounting of total expenses; provision of the necessary protocol of service within the framework of the system; system efficiency; adaptability; the presence of heterogeneous bonds; emergence Fundamental concepts in logistics are informational, marketing and integral (the concept of integrated logistics) (fig. 2).

It should be noted that the integral concept is the development of the essence of the marketing concept,

taking into account the current stage of business development in the country, regarding: Understanding of market and logistics mechanisms as interconnected stra-

tegic elements for providing competitive opportunities of the enterprise; integration perspectives of logistic partnership, new organizational (structural) relations.



**Fig. 2. Fundamental concepts of logistics** [formed by the authors on the basis of sources 1; 2]

Consequently, the clearly conceived concept of logistics contributes to the appropriate specification of the logistics system of a specific industrial and industrial enterprise and the selection of the typology of the organizational structure of the enterprise logistics (in particular, when selecting one of the possible, such as fragmented logistics processes, centralized logistics (linear and expert guidance from the center);, decentralized logistics directorates, staff structure (expert guidance from the center, linear in-situ), logistics as a profit center and subsidiary) that will enable the development of alternative scenarios for such implementation (with further

analysis and optimal selection) and affect various aspects of enterprise management.

Special technologies due to this choice will serve as a tool for the formation of special management influences on the flow processes of materials and finished products of industrial and industrial enterprises, which will promote their efficiency, in particular, such as the organization of cargo transportation, the optimization of the level of warehouse reserves, the control of the supply chain, compliance with agreements with partners, etc., as a consequence, the reduction of losses and costs of different types (from transaction to internal produc-

tion) and the cost of finished products, which leads to the form Optimal price of sales and corresponding service in combination with improving the quality of work and optimizing the number of employees, turnover of working capital, clarity and literacy of enterprise management in the period of growth and development to provide competitive advantages.

Conclusions. The modern concept of the activities of industrial enterprises requires the active implementation of the principles, methods, methods of logistics management. The advantages of logistics management are to ensure the integrity, systematic, integrated management of resource and information flows, which provides synchronization of business processes and management model (planning, organization, motivation, control, coordination), creates new opportunities for growth of added value and ensuring the competitiveness of the enterprise.

From these positions it is important to take into account the basic provisions of the formation of logistics management sales activities in the management system of the enterprise, which plays in its modern development is extremely important role and in its content is the continuation of production activities.

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## Мішура В. Б., Володченко В. В. Удосконалення логістичної діяльності в системі управління промисловим підприємством

У статті проведено аналіз формування концептуальних положень щодо логістичного управління збутовою діяльністю як важливого складника системи управління підприємством. Визначено роль логістики збуту в діяльності промислового підприємства. Представлено фундаментальні концепції логістики. Доведено, що перевагами логістичного управління є забезпечення інтегрованості, системності, комплексності управління ресурсними та інформаційними потоками, що забезпечує синхронізацію бізнес-процесів і моделі управління (планування, організації, мотивації, контролю, координації), створює нові можливості зростання доданої вартості та забезпечення конкурентоспроможності підприємства.

*Ключові слова:* логістика, логістична діяльність, збут, промислове підприємство, види економічної діяльності, конкурентні переваги, управління збутовою діяльністю.

## Мишура В. Б., Володченко В. В. Усовершенствование логистической деятельности в системе управления промышленным предприятием

В статье проведен анализ формирования концептуальных положений относительно логистического управления сбытовой деятельностью как важной составной части системы управления предприятием. Определена роль логистики сбыта в деятельности промышленного предприятия. Представлены фундаментальные концепции логистики. Доказано, что преимуществами логистического управления является обеспечение интегрированности, системности, комплексности управления ресурсными и информационными потоками, которое обеспечивает синхронизацию бизнеспроцессов и модели управления (планирования, организации, мотивации, контроля, координации), создает новые возможности роста добавленной стоимости и обеспечения конкурентоспособности предприятия.

*Ключевые слова:* логистика, логистическая деятельность, сбыт, промышленное предприятие, виды экономической деятельности, конкурентные преимущества, управление сбытовой деятельностью.

## Mishura V., Volodchenko V. Improvement of logistic activity in control system an industrial enterprise

In the article the analysis of forming of conceptual positions of relatively logistic management is conducted by sale activity as to important component part of control system by an enterprise. The role of logistic of sale is certain in activity of industrial enterprise. Fundamental conceptions of logistic are presented. It is well-proven that advantages of logistic management is providing of integrating, system, to the management complexity by resource and informative streams, that provides synchronization of business processes and case (planning, organizations, motivations, control, co-ordination) frame, creates new possibilities of height of valueadded and providing of competitiveness of enterprise.

*Keywords:* logistic, logistic activity, sale, industrial enterprise, types of economic activity, competitive edges, management by sale activity.

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