

# ORGANIZATIONAL SUPPORT FOR THE FORMATION OF THE ECONOMIC SECURITY SYSTEM OF ENTERPRISES IN THE CONDITIONS OF INTELLECTUAL AND INNOVATIVE DEVELOPMENT OF SOCIETY

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## Abstract

The purpose of the article is to justify the principles of organizational support for the formation of the economic security system of enterprises in the conditions of intellectual and innovative development of society. The methodological basis is a systematic approach, which allows you to study lower-order systems as separate systems that change under the influence of the external environment and are components of higher-order systems, to understand the multitude of interrelationships of components and systems, to obtain a result due to synergy that is greater than the totality of the results of individual components of the system economic security. It has been proven that when organizing the economic security system of an enterprise, specific functions should be taken into account, which should include: analytical, preparatory, protective, and corrective. Organizational support of the enterprise's economic security system involves taking into account such components as: resource support; integration of the economic security system with other enterprise systems; organization of interaction with the company's internal security service and external security entities. The principles of organizational support for the formation of the economic security system of enterprises in the conditions of intellectual and innovative development of society are substantiated. A three-dimensional view of the assessment of the organizational support of economic security is offered in the form of the functional dependence of the economic security system on the performance indicators of the enterprise, the assessment of the objects of protection and the functions of the economic security system.

**Keywords:** *economic security, organizational support, enterprises, systemic approach, intellectual and innovative development, threats and risks.*

**JEL Codes:** *D20, D21.*

## Introduction

Current conditions of the economic entities' development are accompanied by globalization challenges, which are characterized by a high degree of uncertainty, threats and risks, tension in competitive relations, appreciable lack of resources, and rapid changes in the business environment.

This and other things encourage enterprises to implement measures to protect their interests both on the domestic and foreign markets, which can be implemented through the implementation of the economic security system (ESS). Social post-industrial development today is based on the intellectual and innovative direction, which becomes the basis of the economic growth of all subjects

and should be taken into account when organizing the formation for the ESS of enterprises.

The purpose of the article is to justify the principles of organizational support for the formation of the ESS of enterprises in the conditions of intellectual and innovative development of society. To achieve this goal, the following tasks were solved by the authors:

- substantiation of the theoretical and methodological basis of the research in accordance with the principles of the system approach and conceptual identification of signs of the enterprise's economic security (ES) functioning;

- justification of functions, tasks and principles of organizational support for the ESS of enterprises in the conditions of intellectual and innovative social development;

- distinguishing the stages of the ESS's formation of the enterprise and the efficiency of its functioning.

### **Literature review**

In the current conditions of the functioning of enterprises, the questions regarding the formation and provision of their ES are becoming more and more relevant. Many scientists devoted their publications to the study of problematic aspects of ES. Article (Pushak Ya. et al., 2021) examines the process of forming a system for assessing the ES of agrarian enterprises. Scientists (Krupskiy O. et al., 2019) proposed theoretical and practical recommendations for the transformation of the ESS of enterprises, taking into account the modern challenges of digitalization. It is also advisable to pay attention to the scientific work (Nosova E. et al., 2021), which analyzed the risk management, ESS in the conditions of the transformation of the authorities. Within the framework of the study (Tulchynska S. et al., 2021), the mechanisms for managing the digital priorities of enterprises as a component of ES are outlined.

Articles (Arefieva O. et al., 2021; Popelo O. et al., 2022) focus on the assessment of innovative development under the influence of the rapid development of digital technologies,

and also analyze innovative and investment strategies to strengthen the modernization potential and increase the competitiveness of enterprises. The purpose of article (Khadzhynova O. et al., 2022) is to improve methodological aspects to ensure the ES of enterprises in the bakery industry. Current research (Bondarenko-Berehovych V., 2021) is the development of an information protection system for ESS and enterprise risk management.

However, despite active research and discussion in the scientific community of the problems of forming the ESS of enterprises, the issue of organizational support for the formation of the ESS of enterprises in the conditions of intellectual and innovative development of society is relevant and requires further research.

### **Methodical approach**

The methodological basis is to investigate lower-order systems as separate systems that change under the influence of the external environment and act as constituent parts of higher-order systems. Also, the systemic approach makes it possible to understand many interrelationships of components and systems. Thus, the ESS of the enterprise as a set of various components represents a single whole that has a certain goal and task, which are characteristic of the entire set of components, and the result obtained due to synergy ensures the effectiveness of the system greater than the set of results of its individual components. These and other principles of the system approach that ensure the validity of the principles of organizational support for the formation of the ESS of enterprises in the conditions of intellectual and innovative development of society.

### **Results**

In general, security is considered as a certain state of security, which is manifested in the provided opportunities for the development of the enterprise, taking into account the resources available for use. At the same time, despite such general simplicity in determining

the essence of the enterprise's ES, there are many different features that affect the formation of ES. Such specific features include the specificity of the field of activity, the production and economic state of the enterprise, regional location, the level of competition on the market, the specificity of products or services, and much more. All this must be taken into account in the organizational provision of the enterprise's ESS, the purpose and tasks of which should not conflict with the strategic vector of the enterprise's development. The general orientation of the ESS and management of the development of the enterprise makes it possible to obtain a synergistic effect in confronting external threats and risks and to ensure the enterprise's development in the conditions of the variability of the external environment and the intellectual and innovative direction of social development.

When organizing the system of economic security of an enterprise, its specific functions should be taken into account, namely:

- analytical, which involves constant monitoring of the state of the external and internal environment for the presence of dangers and threats to the enterprise's development;

- preparatory, which is based on analytical and provides, on the basis of the collected analytical information, the monitoring of the state of the enterprise and the construction of development forecasts;

- protective, which consists in the essence of ensuring the economic security of the enterprise due to the development of measures to level the possible consequences of threats and risks and their timely implementation;

- corrective, which ensures the implementation of various measures to achieve the set goal as efficiently as possible.

The functions of economic security of enterprises are implemented due to the achievement of such tasks:

- timely diagnosis of threats and risks of the enterprise's activity, both internal and external in nature;

- formation of timely measures to counteract identified threats and risks;

- organization of the mechanism for the protection of the enterprise's information data and commercial secrets of the enterprise;

- establishment of close relationships with authorities, services for ensuring the economic security of economic entities;

- implementation of current innovative digital technologies for collecting, processing, and saving digital content of the enterprise;

- increasing the rationality of the use of resources and the effectiveness of the protection of the material base.

The functional orientation of ensuring the formation of the ESS of enterprises, the achievement of the set tasks must correspond to certain principles of organizational support of the formation of the ESS of the enterprise. Such principles, in accordance with the use of the methodology of the system approach, include the following principles:

- compliance, in accordance with this principle of formation of the ESS, the enterprise must take into account the peculiarities of the state of the enterprise and other peculiarities of the functioning of the enterprise, as well as the intellectual and innovative trends of the development of society;

- continuity, which determines the need for constant monitoring, analysis and implementation of management decisions regarding the functioning of the enterprise's ESS;

- flexibility, which provides for the possibility of changes in the company's plans and strategies due to the adoption of security decisions, which are caused by changes in the external and internal environment and require the company to adapt to new conditions in a limited time lag;

- integration, which provides for the implementation of the functional principles of the organization of ensuring the formation of the ESS of the enterprise depending on the

peculiarities of the economic conditions and organizational structure and the implementation of security development measures at all functional levels, and ensures the ability of the enterprise to quickly adapt to changes due to the functioning of the ESS;

- efficiency, which involves the observance of rationality when making management security decisions at the enterprise, taking into account possible losses and justifying the choice of the most optimal option for changes in the further development of the enterprise, taking into account the ratio of the costs of the enterprise due to dangers, threats and risks in relation to the costs of implementing security measures;

- purposefulness, which involves achieving highly competitive positions of the enterprise at the expense of organizational support for the formation of the ESS, taking into account intellectual and innovative social development in accordance with the identified tasks of the ESS of the enterprise.

Compliance with the outlined principles of organizational support for the formation of the ESS of the enterprise in accordance with the methodology of the system approach will increase the effectiveness of the tasks and functions of the ESS of the enterprise.

If we consider ES precisely as the development of the enterprise, then without an intellectual and innovative direction in current competitive conditions, its provision is very difficult and costly. For enterprises, the implementation of innovations and maintaining competitive positions depends on innovation and infrastructure policy. Traditionally, the developed infrastructural and innovative elements of economic development include:

- availability of production and technological capacities;
- centers for personnel training of specialists in the conditions of a new need for specialists in various fields of activity and directions;
- development of financial structures that participate in the financing of innovative development of enterprises (insurance and venture funds, financial and industrial groups);

- regional innovation hubs, etc.

Therefore, for enterprises, maintaining competitive positions and ensuring the ES of their activities should be based on the innovative component of production development. Since innovative capacity is one of the key aspects of the development of enterprises in current conditions.

Organizational support of the enterprise's ESS involves three components:

- firstly, resource support, which includes financial, personnel, informational, material and technical, methodical support;

- secondly, the integration of the ESS with other enterprise systems;

- thirdly, the organization of interaction with the internal security service at the enterprise and external subjects of security.

Organizational provision of the enterprise's economic security (EES) and its functioning can be described in the form of functional dependence on the enterprise's performance indicators in three-dimensional space, which has the form:

$$\begin{cases} F(EES) = \alpha_1 f(x_n \dots x_{n+i}) + \alpha_2 f(x_m \dots x_{m+i}) + \alpha_3 f(x_p \dots x_{p+i}) \\ \sum_{i=1}^n \alpha_1 + \sum_{i=1}^m \alpha_2 + \sum_{i=1}^p \alpha_3 = 1 \end{cases} \quad (1)$$

where

$f(x_n \dots x_{n+i}), f(x_m \dots x_{m+i}), f(x_p \dots x_{p+i})$  – constituent functions of the EES, presented in three-dimensional space;

$x_n \dots x_{n+i}; x_m \dots x_{m+i}; x_p \dots x_{p+i}$  – performance indicators of the enterprise characterizing its main results by components  $n, m, p$ ;

$i$  – the number of component indicators  $n, m, p$ ;

$\alpha_1; \alpha_2; \alpha_3$  – the coefficient of significance of each group of economic security indicators of the enterprise, the sum of which is not greater than 1.

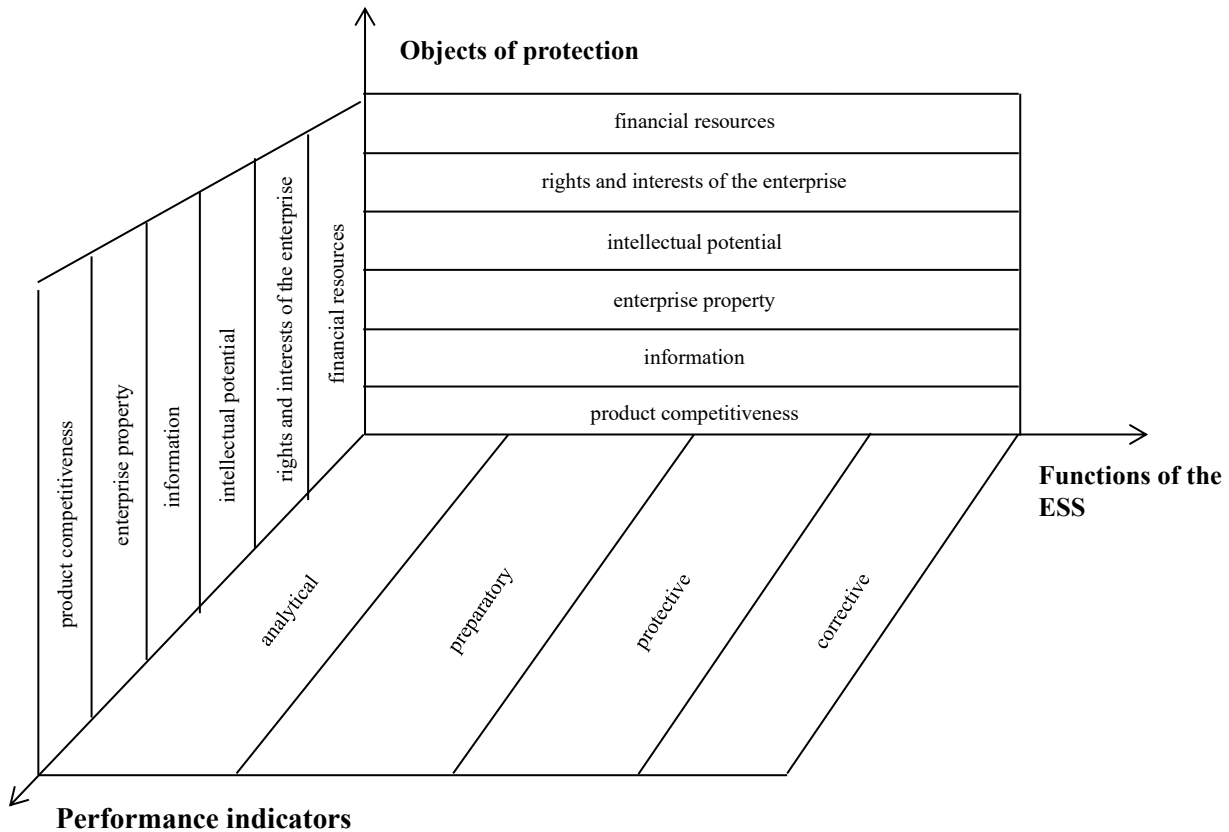
This functional expression of the organizational level of ES of the enterprise makes it possible not only to determine the level of its organization, but also to determine the impact of changing the function of each component of ES.

Schematically, the general process of forming the ES of the enterprise in the

conditions of intellectual and innovative development of society can be presented as follows (Fig. 2).

In a generalized form, the development for the ESS of enterprises can be presented in

the form of six stages, at each of which corresponding tasks are formed, the implementation of which contributes to the achievement of the set goal.



**Figure 1. Visualization of the functional dependence of the enterprise's economic security in three-dimensional space**

*\*Source: generated by the authors.*

The first stage consists of the formation of information and analytical support on the state of the internal and external environment, since enterprises carry out their activities within the competitive field, information about competitors is one of the necessary conditions for the effective formation of an ESS.

The second stage is characterized by the evaluation and analysis of the received information, which allows determining the current state of the enterprise's activities, identifying strengths and weaknesses, threats and opportunities.

At the third stage, the current level of ES of the enterprise is determined on the basis of previously conducted analytical calculations.

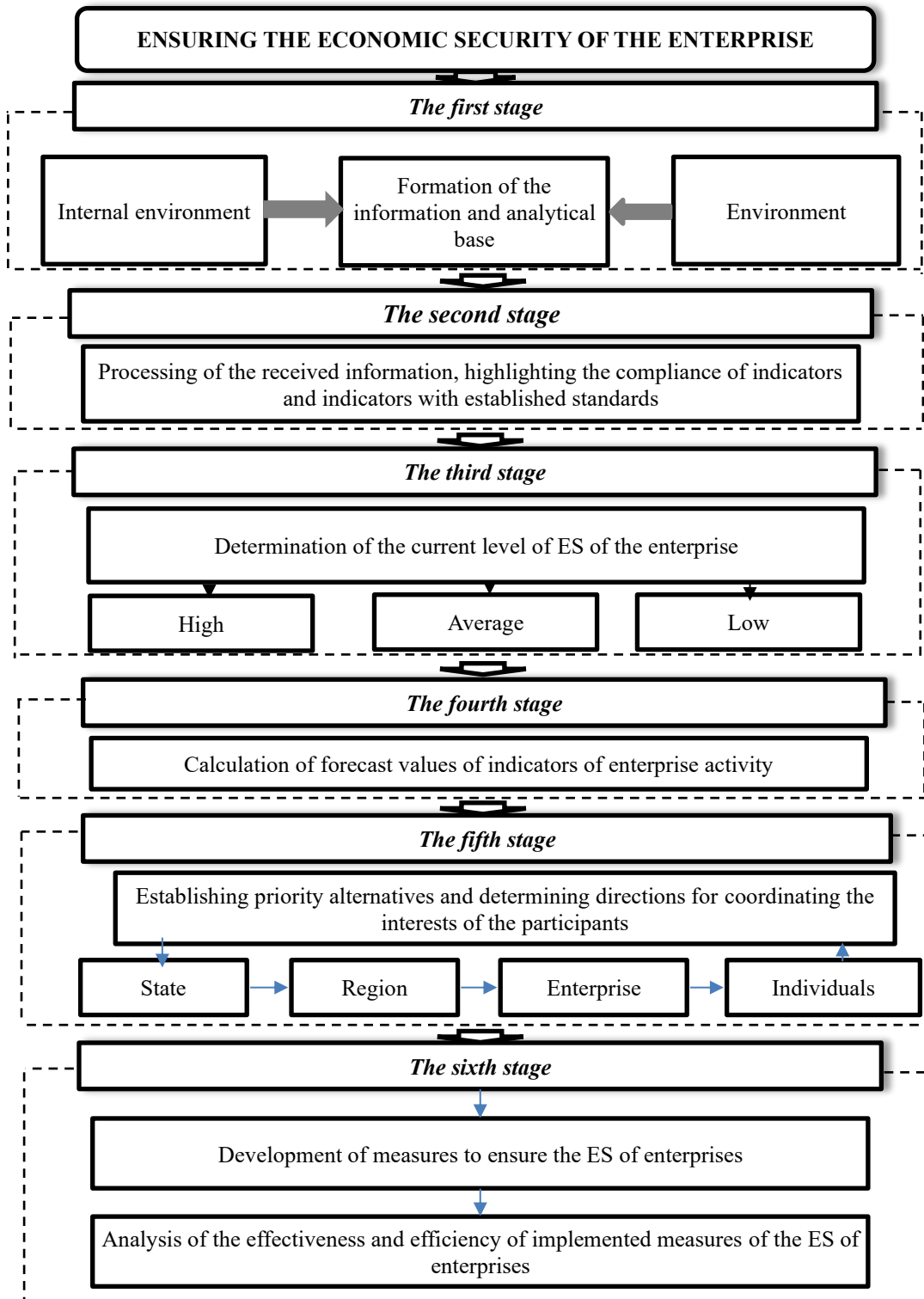
At the fourth stage, after determining the current state of the level of ES of the enterprise and identifying bottlenecks, opportunities and threats, modeling of the forecast indicators of the enterprise's activity, which are indicators of the level of its security, is carried out. The possible level of its competitive positions on the domestic and foreign markets is predicted on the basis of the identified reserves for increasing the efficiency of the enterprise's activity.

The fifth stage is characterized by the creation of alternatives for the development of events (scenario forecasting), which takes into account the most desirable directions of interaction between all participants in

industrial and economic relations, taking into account the interests of each participant.

The sixth stage includes the development of the ESS of the enterprise taking into account

all components and monitoring its practical implementation at certain intervals with the possibility of adjusting indicators to achieve the desired effect.



**Figure 2. Scheme of organizational support for the formation of the economic security system of enterprises in the conditions of a competitive paradigm**

*\*Source: generated by the authors.*

## Conclusions

The scientific novelty of the study is the justification of the principles of organizational support for the formation of the ESS of enterprises in the conditions of intellectual and innovative development of society, which is built in accordance with the methodology of the system approach, contains the justification of the functions, tasks and principles of the organizational support of the ESS of enterprises, as well as the stages of the process of formation of ES, which provides: formation of information and analytical support; assessment and analysis of received information; determination of the current level of ES; modeling of forecast indicators of enterprise activity; creation of alternatives for enterprise development; development of the ESS of the enterprise.

A three-dimensional view of the assessment of the organizational support of ES is offered in the form of the functional dependence of the ESS on the performance indicators of the enterprise, the assessment of the objects of protection and the functions of the ESS. Such a functional construction makes it possible to determine the level of organization of the ESS and the impact of changes in the components of the ES function on the general state of the enterprise's development.

Questions related to the development of a response mechanism of the economic security system to threats and risks in the conditions of the formation of intellectual and innovative social development require further research.

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