

Секція: Модернізація економіки та перспективи розвитку фінансової системи країни

WAYS FOR IMPROVING THE COMPETITIVENESS OF SME-s SECTOR

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The full use of the opportunities of small- and medium-sized enterprises is not only an economic but also a social task of public policy. It's decision will help increase the share of innovative products and create new job's places. A well-organised financial services market providing access to a wide range of range of financial instruments is a prerequisite enabling SMEs to function smoothly and expand.

The Small Business Act is an overarching framework for the EU policy on SMEs. It aims to improve the approach to entrepreneurship in Europe, simplify the regulatory and policy environment for SMEs, and remove the remaining barriers to their development. The current state of small and medium business development requires updating of strategic approaches to the implementation of state policy and should be based on the principles of the «Small Business Act» for Europe [3]:

1. Create conditions for the development and prosperity of small and medium enterprises.
2. Ensure the possibility of a second chance for honest entrepreneurs who are in a state of bankruptcy.
3. Develop regulation based on the principle of «think first about small».
4. To orient state authorities for the needs of SMEs.

5. Adapt the conditions for SMEs to access public procurement and receive state support.

6. Facilitate the access of SMEs to finance and support the creation of legal and business systems for timely calculations in the commercial sphere.

7. Help SMEs access opportunities to the European market.

8. Support the development of skills and the ability of SMEs to innovate.

9. Support SMEs in transforming environmental challenges into economic opportunities.

10. Encourage and support SME access to growth in foreign markets.

Thus, the «Strategy for the Development of Small and Medium Enterprises in Ukraine for the period up to 2020» has been developed. At the same time, it is anticipated that regional programs for the development of SMEs will be created at the regional level, using a cluster-oriented approach, which will allow for the consideration of regional peculiarities and development priorities [4].

The SME sector is often hailed as an important engine of economic growth. But recent research suggests that young rather than small firms are the main contributors to employment growth [1, p. 1].

According to the authors' research and detailed analysis of the literature database [2, p. 25], we can underline the following main problems of SME development in Ukraine: limited opportunities (especially for startups) in access to loans, credits and state financial support; low purchasing power, large share of population in poverty; worn-out and out dated technical and technological resources; weak cooperation network with large companies and low involvement in public procurement; insufficient access to regional, national and international business information, including innovations, markets conjuncture, cooperation opportunities, etc.; the insufficient level of knowledge, skills and training in the entrepreneurial sphere.

Key features of competitiveness are important in the long term. The skills and experiences of company management can allow for the creation of value that changes over time, which ensures customer retention in the long term, guaranteeing the

continuity of the company's existence and its high value. These qualities are the result of competitiveness and a source of future activities in the field of research and development.

In order to ensure the development of small business, and therefore, in order to implement the functions entrusted to small business entities, a certain mechanism is necessary that will ensure efficient management of their financial resources. Such a mechanism is a financial mechanism for the development of small business, which covers a set of financial methods, levers and tools that are interconnected and interact at each other at the state, domestic and market levels and are aimed at implementing the economic-investment and social functions of small business in accordance with the relevant normative -legal, informational, institutional and infrastructural systems for ensuring the specified mechanism.

The consequences of the effective implementation of the financial mechanism are the achievement of strong commodity-consumer, investment-innovation and institutional and social effects.

List of reference:

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