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Department of Management and Administration

**MASTER’S THESIS**

Title: «**Management of the company's business reputation**»

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**TASK**

**TO MASTER THESIS**

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the main approaches to understanding the essence of business reputation in modern science are studied; the impact of investment attractiveness of the company on increasing its reputation level is revealed; the sequence of reputation management at the enterprise is considered; the general organizational characteristics of PJSC "Kharkiv Biscuit Factory" are considered; the results of the economic activity of PJSC "Kharkiv Biscuit Factory" are analyzed; an analysis of competitive advantages in order to form a positive business reputation for PJSC "Kharkiv Biscuit Factory" is conducted; the positive impact of the implementation of corporate social responsibility in enterprises of the confectionery industry in Ukraine on the level of their business reputation is highlighted; the factors of innovative development of PJSC "Kharkiv Biscuit Factory" are determined; directions for improving the corporate image of PJSC "Kharkiv Biscuit Factory" are suggested.

#### 4. Work plan

№	Stages of work
1	Approval of the thesis content
2	Preparation of the thesis' first section
3	Completion of the first section according to the supervisor recommendations. Writing the thesis' second section
4	Completing of the second section according to the supervisor recommendations. Preparation of the thesis' third section
5	Completing of the third section according to the supervisor recommendations. Preparation of a report for a scientific conference with a presentation of the main results of the thesis
6	Writing of the introduction, conclusions of the thesis. Making references list
7	Submission of the thesis to the Department of Management and Administration

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## INTRODUCTION

*Relevance of the research topic.* Under conditions of decreasing price and quality differentiation of products and services, business reputation begins to act as one of the most valuable assets of the enterprise. It also acts as a factor of increasing attractiveness for investors, and business partners, increasing its capitalization, and strengthening competitive positions in new markets.

Management of reputational assets and a rationally thought-out sequence of its implementation play a strategically important role in the company's activities and require further development of theoretical and practical provisions in accordance with modern business conditions.

A large number of scientists in Ukraine and around the world investigate a wide range of issues regarding the essence of the business reputation of an enterprise as a socio-economic category, comprehensive justification of the positive impact of reputation on business, and analysis and systematization of methodical approaches to assessing its level. Among them, it is important to consider the works of S.V. Horina, O.M. Hrebeshkov, H. Dowling, E.V. Dmytruk, O.P. Ivanov, G.E. Kononov, T. Korobov, O.M. Lyashenko, L. Novichenkov, L. Shvets.

However, it remains relevant to determine further opportunities to increase the level of business reputation of companies due to the implementation of innovative strategies for their development.

*The goal of the Master's Qualification work* is to determine the possible ways to improve the business reputation of PJSC "Kharkiv Biscuit Factory".

To achieve the goal, the following *tasks must be solved*:

- to study the main approaches to understanding the essence of business reputation in modern science;
- to reveal the impact of investment attractiveness of the company on increasing its reputation level;
- to consider the sequence of reputation management at the enterprise;

- to consider the general organizational characteristics of PJSC "Kharkiv Biscuit Factory";
- to analyze the results of the economic activity of PJSC "Kharkiv Biscuit Factory";
- to conduct an analysis of competitive advantages in order to form a positive business reputation for PJSC "Kharkiv Biscuit Factory";
- to highlight the positive impact of the implementation of corporate social responsibility in enterprises of the confectionery industry in Ukraine on the level of their business reputation;
- to determine the factors of innovative development of PJSC "Kharkiv Biscuit Factory";
- to suggest directions for improving the corporate image of PJSC "Kharkiv Biscuit Factory".

*The object of the research* is the process of business reputation management in the company.

*The subject of this research* is a set of theoretical, methodic, and practical provisions regarding the management of the company's business reputation.

*Research methods.* To achieve the goal, the following research methods were used in the work: logical-dialectical - to reveal the theoretical foundations of the formation of the company's business reputation; structural and logical - to determine the organizational characteristics of PJSC "Kharkiv Biscuit Factory"; statistical and economic analysis - to study indicators of economic activity of PJSC "Kharkiv Biscuit Factory"; logical generalization - to justify the proposed ways of improving the business reputation of PJSC "Kharkiv Biscuit Factory".

*The theoretical and information base of the research* was the works of Ukrainian and international scientists, scientific publications in periodicals, statistical materials, reference literature, reporting documents of the studied enterprise.

*The practical significance of the obtained results* is that the theoretical conclusions and practical recommendations of this work can be useful for increasing the level of business reputation of companies.

*The structure and content of the qualification work* correspond to the tasks and consist of an introduction, three sections, conclusions, and a list of references. The total volume of the work is 73 pages of computer text. The work contains 10 tables, 7 figures. The list of references includes 51 items.

## SECTION I

### THEORETICAL PRINCIPLES OF FORMATION BUSINESS REPUTATION OF THE COMPANY

1.1. Basic approaches to understanding the essence of business reputation in modern science

The concept of "reputation" is used in various spheres of human activity: in psychology, sociology, management, law, economics, politics. Thus, for psychologists, reputation is primarily a component of the individual level of interaction, and is defined as a mechanism for assessing its risk, which is very important for any social activity. In the conditions of market relations, maintaining a business reputation is one of the communication and technical means of marketing and advertising activity, which is a set of methods and means of influencing different groups of people with the aim of providing them with the necessary information in the most accessible form through the most effective channels. Business reputation is an important asset that takes years to acquire and is very expensive. It helps to make a decision about the possibility of partnership or cooperation.

The development of the definition of the concept of "business reputation" has a rather complex sequence. By the middle of the 20th century, this concept was reduced exclusively to the image of the owner of the company, now it is interpreted much more widely and applies directly to the company itself.

Researchers began to consider business reputation as an important market factor only in the 1950s and 1970s. Undoubtedly, this was facilitated by scientific and technical progress, as a result of which the production of high-quality goods and services began to grow rapidly, and consumers had to make choices guided by various criteria, among which were image, brand, prestige. At this time, the capital market begins to develop intensively, and along with the production and resource

capacities of the enterprise, investors begin to evaluate the business qualities of the top management, business decisions, and the company's participation in society. All this formed the prerequisites for the study of business reputation from an economic and financial point of view, that is, as an intangible asset of the organization.

In the works of G. Devies and L. Miles, business reputation is mostly interpreted only as a function of the development of the enterprise's organization [11], the authors Carmeli A. and Tishler A. believe that the company's reputation refers to other people's beliefs about what distinguishes this organization from others, about its external prestige. The authors distinguish between the concepts of the organization's reputation and perceived external prestige, by the latter they mean the view of top management and what the external environment thinks about the organization [6].

Fomburn Ch. defines business reputation as a general, collective perception of the organization's activities in the past, as well as the results that confirm the organization's ability to provide goods and services that have value for interested parties [15], a similar opinion is held by T. Harris, he describes business reputation, as a perception of past actions that describe the full attractiveness of business components compared to competitors [20].

The above-mentioned interpretations of the concept of business reputation are quite generalized, because they do not give an understanding of what characteristics form the collective attractiveness of the organization for the environment, its external prestige, the authors also do not include the internal environment of the organization in the essence of the concept of business reputation.

A number of Ukrainian scientists hold a similar opinion regarding the essence of the concept of business reputation. In particular, Tsygankova O.D. defines the concept of reputation as a measure of trust and a set of expectations that the company causes on the part of all parties interested in its activities [50], and Grygoryan E.S. believes that reputation is a holistic view of the company as a

market entity, which consists of the perception and evaluation of the results of its activities by all stakeholders and contact groups [19]. At the same time, the authors indicate the importance of taking into account the interests of all stakeholders - external and internal, when determining business reputation.

O.V. Rodionov, Yu.S. Pogorelov insist that reputation is the result of the accumulation of information by stakeholders, which they receive by focusing on various signals coming from the company [42].

Authors O.M. Hrebeshkova, O.V. Szymanska generalize the main concepts of business reputation and reduce them to the following three postulates:

- reputation is a general awareness of the company's activities, which does not involve an in-depth analysis of its assessment;
- reputation is some knowledge obtained by direct involvement of target groups in the assessment of the state of the enterprise - based on own experience or opinions of third-party experts;
- reputation is an intangible object that has a valuable expression, that is, in fact, it is a financial or economic asset [18].

Authors Hatch M.D. and Schutz M. believe that business reputation is the result of the interaction of objective and subjective assessments by existing potential stakeholders. According to scientists, assessment data includes three interrelated dimensions: informal stakeholder communication, business literature (ratings), potential stakeholder groups [21].

A special place in the theory of reputational capital is given to the definition proposed by Graham Dowling, under which he understands the business reputation of a firm as the sum of intangible assets, external and internal characteristics of the entity that increase its shareholder value and are part of the market value [23]. It is the inclusion of business reputation in the shareholder and market value of the company that emphasized its importance and made it possible to consider this concept as a factor influencing the organization's competitiveness and an important point of its strategic policy.

Scientists distinguish four main stages of the evolution of the development of business reputation:

1. Initial (approximately until the 17th century) - subsistence economy, the further development of trade relations led to the fact that business reputation is characterized as the reputation of one person, the owner of a workshop, the creator of a product or service.

2. Organizing (XVII-XIX centuries) - industrial revolution, development of factories, growth in demand leads away from handicrafts and leads to the need for cooperation and education. Business reputation becomes the reputation not of one person, but of a group.

3. Systematization (end of XIX - middle of XX century) - development and growth of the scale of organizations, growth of the volume of the market for goods and services. Business reputation becomes the reputation of companies, awareness of its influence on sales activity comes. Ideas of standardization, unification, cooperation between the employer and the hired personnel are being developed. There is a need to systematize experience in the field of business reputation management, accounting for funds allocated for measures to improve it is carried out.

4. Integration (since the 1980s) - globalization of the economy, general informatization and computerization, development of holding structures, processes of mergers and acquisitions of companies are becoming frequent. Enterprises exist both for a person as a buyer and for a person as a partner in production, financial and entrepreneurial activities.

After analysis of the main interpretations of the concept of business reputation, we can determine the main functions that business reputation performs in enterprise management (Table 1.1).

Thus, the formed positive business reputation of the enterprise performs a number of important functions in the effective operation of the enterprise.

Table 1.1 - The main functions of the business reputation in the enterprise management

Function	Characteristics
Economic	Contributes to the strengthening of the influence of the trademark on the minds of consumers, leveling the concept of price for goods/services, allows you to make higher markups on your goods/services and, thus, receive additional profit. Thus, an enterprise with a high reputation moves into the segment of non-price competition.
Informational	Provision of all stakeholders of the enterprise with the information regarding the quality of the company's goods/services, adopted business decisions, social policy, etc., as well as management of the information flow about the company from the outside.
Communicative	Establishing contacts and trust relations between the company and all stakeholders. The function accelerates information exchange and contributes to the formation of the prestige of business contacts, increasing the level of trust in the enterprise.
Analytical	Allows you to track the reaction and change in the behavior of market participants as a result of the decisions made and implemented by the company.
Integrative	Forms a sense of loyalty and involvement within the company, among employees, which in turn forms a high HR-brand of the company, facilitates the resolution of personnel issues.
Adaptive	Ensures mutual adaptation of the company to the conditions of the external environment, allows to gain a stable position on the industry market thanks to the high value of its intangible assets.
Motivative	Creates the necessary incentives for carrying out further activities, making business decisions
Anti-crisis	Allows the enterprise to cope with the crisis more easily, in a shorter time and probably with lower costs, thanks to the high trust of stakeholders in this enterprise.
HR	Allows the enterprise to attract more qualified personnel
Social	Forms an appropriate level of recognition in society regarding the achievements or activities of the enterprise, acquires a special status significance when the enterprise participates in solving socially significant problems

Source: systematize by the authors based on [22].

It should be noted that the perception of the importance of one or another component of a positive business reputation depends on the target group (Table 1.2), the value system of business and society, the scale of the business, the characteristics of the markets where the company operates, plans to enter the IPO and cooperation with foreign partners.

Table 1.2 – Parameters of business reputation depending on the target group

Target groups	The most important parameters of business reputation
Investors	Openness and transparency of the company Dynamics of the company's development Professionalism of managers, reputation of partners
Creditors	Dynamics of financial indicators
Personnel	Working conditions and remuneration, motivational mechanisms
Consumers	Responsibility for the declared quality of products (services)
Authorities	Work within the framework of the legislative field
Shareholders	Increasing profitability of capital investments
Suppliers, distributors, service organizations	The reputation of top management and the company as a whole

Also, all subjects and factors affecting the company's reputation can be divided into two categories: external and internal. Regarding the internal environment of influence, the following can be noted: if the company forms its reputation based on principles, values, culture, internal potential, then it has the opportunity to improve its reputation even in a short period of time. When forming a reputation, such factors of the internal environment as:

- personnel of the enterprise;
- professionalism of management;
- financial stability;
- PR management;

- quality and competitiveness of products [12; 14; 46].

The external environment of impact on reputation consists of many components that can play a significant role. To the main ones

the most significant factors should include such as:

- scientific and technical progress;
- actions of competitors;
- mass media;
- relations with suppliers;
- relations with creditors;
- opinion of consumers;
- raiding;
- relations with state institutions and attitude of the state to the industry as a whole [12; 32].

## 1.2. Business reputation of the company as the factor of increasing of its investments attractiveness

Intensification of competition in the modern market environment forces companies to resort to the use of new forms of relations with consumers, partners and investors. In most countries, quality control is carried out quite strictly, which means that the objective characteristics of the product must be almost the same within the same price category. Therefore, the choice of a product is increasingly influenced by the buyer's opinion or idea about this or that company, its goods or services.

Business reputation plays a special role for enterprises that manufacture products for a wide range of consumers. The consumer's choice of one or another of the company's products largely depends on the popularity of the trademark, brand, image, corporate style, service, sales promotion measures, advertising, etc. All of the above to one degree or another refers to the tools for building the

company's business reputation, which proves the importance of purposeful management of this process.

Developing approaches to managing a company's business reputation as a factor in increasing its investment attractiveness should begin with defining the essence and components of this category.

Reputation is a part of the company's intangible assets, which depends on a positive image, the presence of stable business relationships, the popularity of the company name and brand. The potential of reputation is heterogeneous in its content, it depends on the attitude towards the company on the part of buyers, clients, partners, investors, state authorities, assessment and quality of manufactured products, level of management, etc. So, business reputation can be attributed to intangible assets, and its quantification can reflect the financial position of the company, the size of the involved investments.

An important component of business reputation should also be considered organizational culture, which embodies the ideology of management, value orientations, expectations laid at the foundation of the organization and aimed at creating a real basis for positive perception and appropriate evaluation of the company by external investors.

Acquiring a positive perception of the company by consumers, partners, own employees and investors is impossible without the formation of such a social asset as trust. This category is multifaceted and includes such ideas about the company as: competence; honesty; sequence; care.

The famous sociologist F. Fukuyama defines trust as the expectation that the behavior of partners can be predicted and the hope that they will behave honestly, attentive to common needs and in accordance with generally accepted norms [17].

Thus, in our opinion, business reputation can be presented in the form of such components as image, goodwill, organizational culture and economic trust (Fig. 1.1).

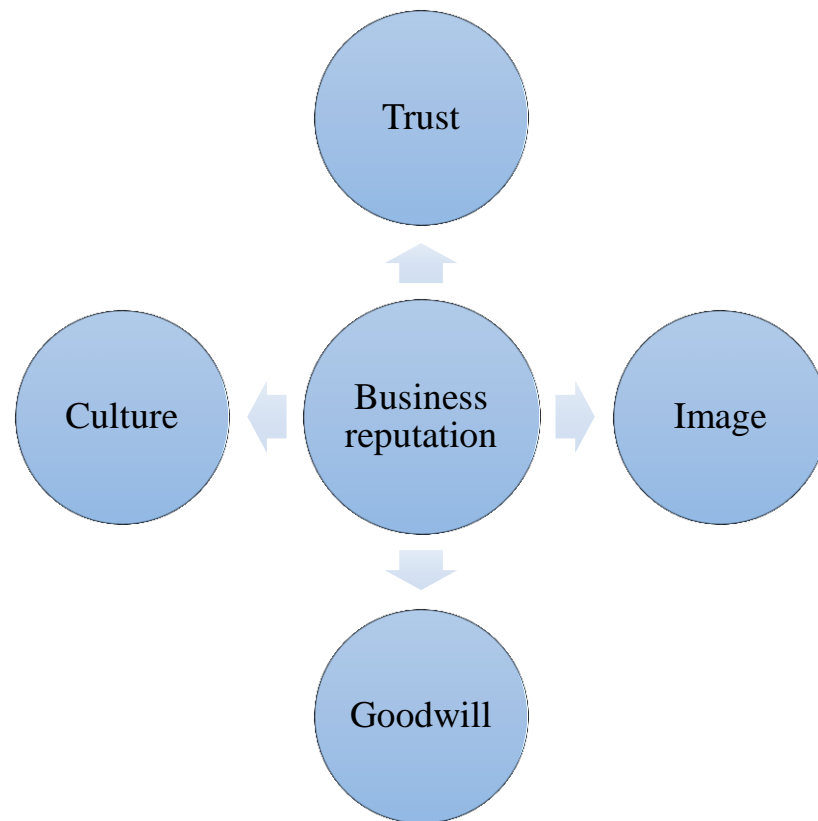


Fig. 1.1 – Elements of business reputation

*Source: developed by the authors based on [37].*

If a company wants to use its reputation as a strategic advantage, it must shape it in such a way as to increase the value of its work in the eyes of all representatives of both consumer and business audiences.

The business audience should primarily include investors. And thus, it is possible to determine that it is the business reputation of the company that affects the level of its investment attractiveness.

It is possible to achieve that the company's business reputation is its strategic advantage, using a number of tools that influence the formation of business reputation. Specialists believe that the most significant among them are:

- quality, design and characteristics of products and services;
- pricing policy;
- emotional appeal of the product;
- service services (speed of response to possible complaints);

- management reputation (level of information openness);
- quality of performance of contractual obligations;
- personnel potential;
- financial stability;
- social responsibility;
- management efficiency;
- use of innovative technologies;
- openness of communications with partners;
- the popularity of the trademark and its transformation into a brand.

In modern economic science, there is no single approach to defining the essence of the concept of "investment attractiveness of an enterprise" (IAE). Points of view regarding the concept of IAE and methods of its assessment are given in table 1.3.

Table 1.3 – Approaches to defining the concept of "investment attractiveness of an enterprise".

Authors and their approaches	Advantages	Disadvantages
Blank I.O. [3]: IAE is an integral indicator based on financial indicators such as: financial stability, profitability, asset liquidity and asset turnover.	Focusing attention on areas of investment and components of investment attractiveness.	Unreliability of information in the analysis of financial indicators, their calculation over time.
The Agency for the Prevention of Bankruptcy of Enterprises [33]: IAE is an integral indicator that reflects the values of indicators for assessing property status, financial stability (solvency), liquidity of assets, profitability of an investment object, assessment of business activity, assessment of market activity, adjusted in accordance with their importance and other factors	It allows to evaluate many aspects of economic activity by calculating a small number of indicators, which gives a description of the current state of the object and does not require significant expenditure of time.	The approach lacks specificity and clarity, which significantly reduces the possibility of its application by practitioners.
Koyuda V.O., Lepeiko T.I., Koyuda O.P. [29]: IAE - a set of characteristics of the enterprise's financial, economic and managerial activities, development prospects and opportunities to attract investment resources based on the formalization of evaluation	The approach provides an unambiguous possibility of formalization of evaluation methods	The approach ignores the psychological aspect of this problem.

methods.		
T.P. Smorzhanyuk, T. V. Shram [45]: IAE is a set of economic and psychological indicators of an enterprise, which determine for the investor the possibility of obtaining maximum profit with minimal risk of invested funds.	Summarizes IAE assessments using both formalized (economic) and difficult to formalize (psychological) indicators and criteria	A significant amount of information needs to be processed, and the degree of willingness of the investor to take on the possible risk of comparing the investor's goals with opportunities without risk realization is not taken into account.
S. D. Suprun, S. V. Yukhymchuk [47]: IAE is the financial and property status of the enterprise, the efficiency of using its resources, as well as qualitative characteristics: the professional abilities of the management, the industry and regional affiliation of the enterprise, the stage of the life cycle, the integrity of the enterprise as a partner	It allows to fairly objectively determine the market position of the enterprise, to compare its potential and capabilities with the positions of the leading enterprises	It involves primary processing of a significant array of data
The method of integral assessment of the investment attractiveness of enterprises and organizations [34]: IAE - the level of satisfaction of the financial, production, organizational and other requirements or interests of the investor in relation to a specific enterprise, which can be determined or evaluated by the values of relevant indicators, including the integral assessment	It allows to fairly objectively determine the market position of the enterprise, to compare its potential and capabilities with the positions of the leading enterprises	It does not take into account the industry specifics of the enterprises, the factors of seasonality of production, the level of state support of the enterprise are not taken into account
Kozachenko G. V., Lyashenko O. M. [30]: IAE is an integral characteristic of an enterprise as an object of property investment from the point of view of development prospects (dynamics of sales volumes, product competitiveness), efficiency of use of resources and assets, their liquidity, state of solvency and financial stability, as well as the value of a number of informal indicators.	It allows to fairly objectively determine the market position of the enterprise, to compare its potential and capabilities with the positions of the leading enterprises	Some indicators are incomparable when analyzing the activities of companies that are different in terms of structure and field of main activity. For an objective analysis, attention should also be paid to the structure and sources of profit formation

Thus, it can be concluded that the investment attractiveness of the enterprise is its integral characteristic as an object of future investment from the point of view

of development prospects (dynamics of sales volumes, competitiveness of products), efficiency of use of resources and assets, their liquidity, state of solvency and financial stability, as well as a number of informal indicators of the company's business reputation (professional abilities of management, industry and regional affiliation of the enterprise, life cycle stage, reliability of the enterprise as a partner).

It should be noted that the main methods of assessing investment attractiveness in relation to the source of initial information can be conditionally divided into three large groups:

- methods based on various expert assessments;
- methods based on statistical information;
- combined methods based on expert-statistical methods calculations [39].

The main stages of analysis in economic literature are express analysis and in-depth analysis of the company's activity. However, such areas of analysis can only ensure internal decision-making: in the need for investments, determining the type of investments (real or financial), methods of attracting investments (by advancing funds to the capital of the enterprise or attracting loans). But for investors, these indicators are insufficient, since the method of determining the feasibility of investing in an enterprise will differ due to the fact that investors are interested, to a large extent, in the indicators of profits, income, expenses, capital, the number of shares and the dynamics of assets, liabilities, income and expenses. Creditors are more interested in the results of indicators of solvency, liquidity, stability.

Among the numerous methods proposed by scientists and practicing economists for assessing the investment attractiveness of enterprises, it is necessary to mention the Methodology for the integral assessment of investment attractiveness [34].

The essence of the above methodology is to conduct an analysis in the following stages:

1. Assessment of the financial condition of the investment object.

2. Determining the importance of group and individual indicators based on expert assessments.

3. Determination of the share of the range of the variational set.

4. Determination of the ranked value for each indicator.

5. Calculation of the integral index of investment attractiveness.

Almost all methods of assessing investment attractiveness involve the calculation of liquidity ratios, resource utilization ratios, the ratio of own and borrowed funds, the level of profitability, sometimes analysts determine the rate of return on equity capital. It should be taken into account that some indicators are not comparable when analyzing the activities of companies that are different in terms of structure and field of main activity. For an objective analysis, attention should also be paid to the structure and sources of profit formation [8].

Also, an important facet of investment attractiveness is the degree of guarantee, reliability and timeliness of achieving the investor's goals, the main of which are: obtaining profit in the long term; obtaining control over an enterprise (for example, a supplier of resources); obtaining a speculative profit (due to a rapid change in the exchange rate of the company's securities).

Investment attractiveness is determined by a complex of various factors, the list and weight of which may vary depending on:

1) goals of investors;

2) production and technical features of the enterprise in which funds are invested;

3) business reputation of the enterprise, which is based on a number of value characteristics: economic, social, emotional, in relation to various aspects of the enterprise's activity.

### 1.3. Formation of management tasks for the company's reputational assets

The questions of the sequence of implementation of reputation management in practice are highlighted in the works of many international and Ukrainian scientists who propose the procedure for managing the reputation of an enterprise in the following sequence [13]:

- analysis of the external environment of the enterprise and selection of the most important target groups from the point of view of reputation;
- regular monitoring of the level of the current reputation of the company, owners and top managers;
- development (or adjustment) of the company's mission, economic and socio-demographic goals of the enterprise, clear adherence to them;
- creation of information management tools (organization of the effective work of the press - services for the creation of a corporate website, publishing of a newspaper (magazine), formation of channels of information support in mass media);
- development of an adequate dynamic model of informing (with an emphasis on openness and transparency and the possibility of receiving feedback communication) of a reputable audience about company events and results, achievements, innovations, work on quality, etc.;
- development and implementation of a system of compliance with the expectations of consumers, counterparties and the use of optimal mechanisms formation of the desired image of the company, top management, manager for each target group, taking into account the strategic goals of the enterprise;
- development of a real model of corporate culture, focused on the formation of an internal positive reputation; creation of corporate standards.

The criteria for effective business reputation management are:

- long-term preservation of a positive opinion about the company;
- growing difference between the market price of the enterprise and the value of assets;

- loyalty of employees and consumers;
- access to cheaper financial resources;
- recognition and frequency of information about the company and the results of its work in the mass media and on Internet resources;
- fame of top managers on the market;
- high official and unofficial ratings, including international

To build an effective system of reputation management at the enterprise of O.A. Priyatelchuk singles out the following steps:

- to determine which business goals require reputation management;
- evaluate the current reputation of the company;
- determine reputational assets and liabilities;
- analyze reputational risks and potential opportunities;
- identify external factors that help or hinder the formation of a positive reputation;
- determine which of the internal factors are adjustable and which are not;
- analyze the reputation profile of an ideal company in a certain industry;
- determine the priorities of target audiences in which the company's reputation needs to be profiled;
- identify communication channels and key messages for these target groups [38].

The main components of reputation management in the activities of a business entity, taking into account the goal and task, are shown in fig. 1.2.

First, the initial step in the implementation of the specified management process is the assessment of the approved development strategy and (in this context) conducting an analysis of the business environment of the business entity in order to identify key stakeholders. Of course, the business environment should be studied in terms of both the external and internal environment, because the perception and satisfaction of different contact groups are equally important in building the company's reputation.

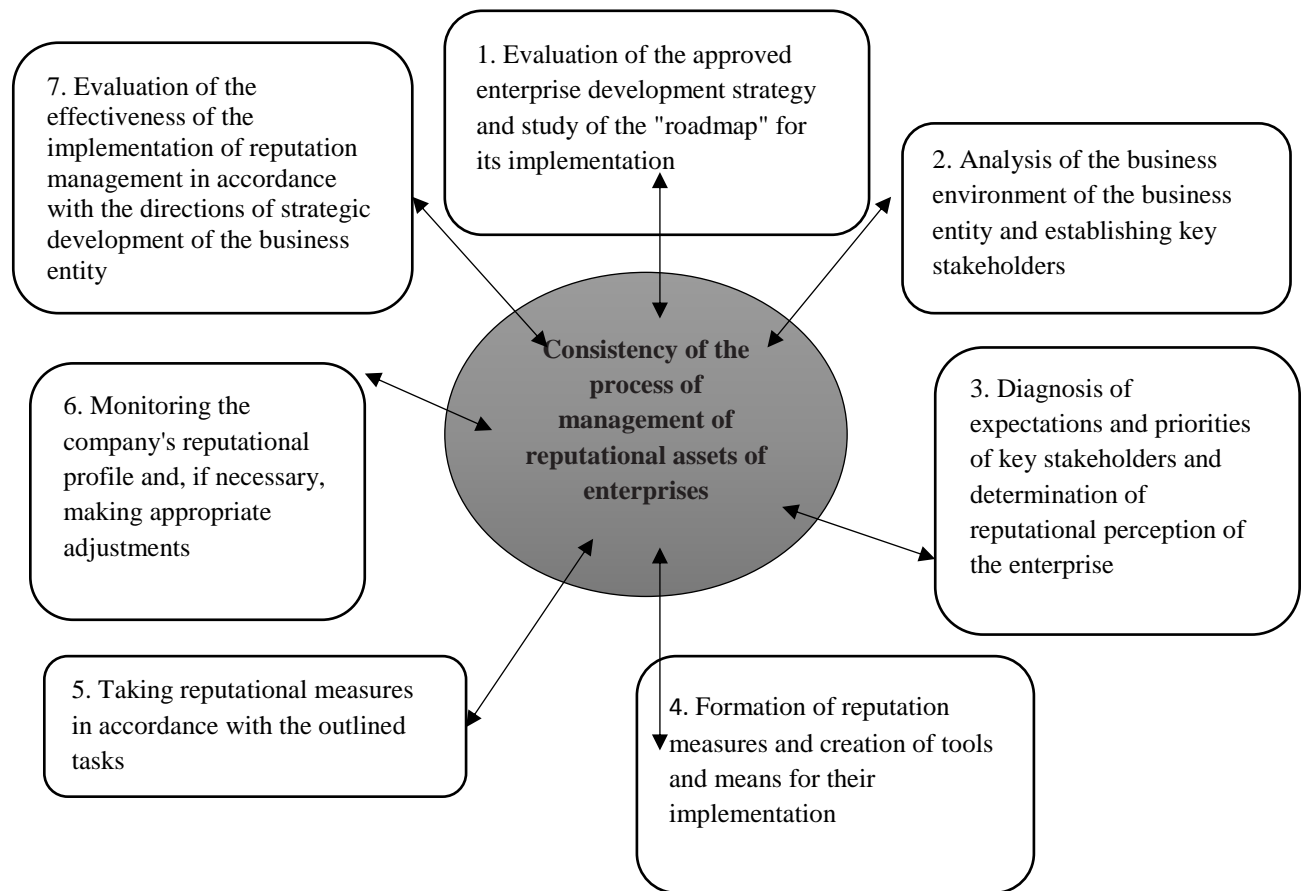


Fig. 1.2 – Components of the process of managing reputational assets of the enterprise

*Source: developed by the authors based on [16, 36, 38].*

Secondly, as a result of comparing the "actual" and "ideal" reputational profiles of the business entity, the following three options for constructing a reputation:

- the formation of reputation, which is used, as a rule, by subjects of economic relations who are just starting their business activities, and entities in which significant "gaps" were identified as a result of the diagnosis of expectations and priorities of key stakeholders between "actual" and "ideal" reputation profiles; under such circumstances, a conceptually new corporate policy, ethical norms, corporate culture, standards of responsibility, etc. are developed;

- reputation maintenance and preservation – the direction of achieving a reputation profile where the "actual" reputation is close to the "ideal" one, as well as the necessary efforts and resources usually to maintain the current reputation positions;

- reputation protection – a separate segment of reputation management, which has a situational nature and involves the formation of an organizational and legal mechanism in the event of the occurrence or threat of occurrence of reputational risks and threats.

Thirdly, in the algorithm of the proposed sequence of the reputation management process, there is an opportunity to make appropriate adjustments in the process of monitoring the company's reputation profile and, if necessary, to return to previous stages management.

The international organization International Reputation Institute (IRI), which has been researching the influence of the external environment's opinion about the company for many years, has identified the main components of business reputation, which together provide an adequate assessment of any business. Including:

- goodwill - monetary definition of the company's business reputation;
- image - the company's ability to emotionally attract;
- financial stability - one of the types of stability as an indicator of the ability to withstand crisis situations;
- social responsibility - actions that inspire confidence in both employees and society;
- the reputation of the management, which cannot be lower than the reputation of the company itself;
- organizational culture - is formed simultaneously with the reputation of the management and shows the internal atmosphere of the team;
- the quality of manufactured products or services provided (in modern conditions, it is impossible to cooperate with a company that manufactures low-quality products) [48].

Let's take a closer look at the mechanism of forming the company's corporate image. The image as an image of the enterprise is formed in the mind of the consumer in the process of perceiving the characteristics of the enterprise and its services. To understand how this image is formed, it is necessary to study the process of perception. In general, this process is divided into four stages:

- detection (is there an incentive?);
- discrimination (formation of the standard perceptual image, that is, the image that is formed directly in the process of perception);
- identification – identification of a perceived object with an image stored in memory (a non-perceptual image, that is, an image perceived earlier and stored in memory);
- recognition – assigning an object to a certain class of previously perceived objects [4].

There are quite a few approaches to assessing the corporate image, which are primarily divided into qualitative, quantitative, qualitative and complex.

It should be noted that the evaluation of the company's image can also be carried out in relation to competitors or independently of them, from the position of the external or from the position of the internal market, depending on the structure adopted for the evaluation: evaluation of the internal or external image, depending on methods of image assessment can be: indicator, point, economic, monetary (absolute), complex.

In the formation of a positive image of the organization, methodological support is of great importance, it consists of a set of methods that are used in solving a complex of problems.

Management support for the improvement of the corporate image involves, first of all, answers to the question of who will be responsible for the performance of work on the improvement of the corporate image and in which documents it will be recorded.

Thus, the management of the company's reputation, aimed at its further optimization and improvement, implies the need to follow the principles related to

the financial, economic, innovative, environmental and social aspects of activity, the basis of which are:

- a high level of corporate governance and management;
- creation of effective PR, GR and IR communications;
- transparency and openness of the company in relation to the target audience, coordination of the company's plans with target groups, especially in the social sphere;
- creation of informational reasons to draw attention to one's own business;
- maintaining a positive reputations of the company's top management and owners;
- stability of the company's work and positive dynamics of financial and economic indicators;
- the company's responsibility to consumers regarding the quality of manufactured products (services provided);
- building relationships with suppliers and partners based on trust and mutual respect;
- high level of corporate culture, quality of personnel policy, positioning of each employee as an integral and important part of the company;
- normal relations with authorities, compliance of activities with current legislation;
- expansion of projects of social and environmental orientation, an active position in environmental protection issues and the image of an environmentally responsible company.

In general, the formed positive business reputation:

1. will contribute to the quality of business conduct and ensure its economic security;
2. will help to obtain profitable contracts and attract investments on more favorable and promising terms, will increase the chances of concluding future agreements;

3. will allow to effectively influence the markets, contribute to the growth of sales volumes, maintain customer loyalty both in conditions of activity activation other companies, as well as the appearance of new competitors;
4. will increase the loyalty of the company's personnel, will act as a factor of the company's attractiveness in the labor market;
5. will allow companies involved in mergers and acquisitions to sell their assets at a higher price;
6. will accelerate the reduction of the distance between the created image and real reputation.

#### Conclusions for the Section I:

After conducted analysis of the main interpretations of the concept of business reputation, the main functions performed by business reputation in enterprise management were determined: economic, informational, communication, analytical, integrating, adaptive, motivational, anti-crisis, personnel, social.

All subjects and factors affecting the company's reputation can be divided into two categories: external and internal. Regarding the internal environment of influence, the following can be noted: if the company forms its reputation based on principles, values, culture, internal potential, then it has the opportunity to improve its reputation even in a short period of time.

Business reputation plays a special role for enterprises that manufacture products for a wide range of consumers. The consumer's choice of one or another of the company's products largely depends on the popularity of the trademark, brand, image, corporate style, service, sales promotion measures, advertising, etc. All of the above refers to the tools for building the company's business reputation, which proves the importance of purposeful management of this process.

Reputation is a part of the company's intangible assets, which depends on a positive image, the presence of stable business relationships, the popularity of the

company name and brand. The potential of reputation is heterogeneous in its content, it depends on the attitude towards the company on the part of buyers, clients, partners, investors, state authorities, assessment and quality of manufactured products, level of management, etc. So, business reputation can be attributed to intangible assets, and its quantification can reflect the financial position of the company, the size of the involved investments.

The investment attractiveness of the enterprise is its integral characteristic as an object of future investment from the point of view of development prospects (dynamics of sales volumes, competitiveness of products), efficiency of use of resources and assets, their liquidity, state of solvency and financial stability, as well as a number of informal indicators of the company's business reputation (professional management skills, industry and regional affiliation of the enterprise, stage of the life cycle, reliability of the enterprise as a partner).

The criteria for effective business reputation management are:

- long-term preservation of a positive opinion about the company;
- growing difference between the market price of the enterprise and the value of assets;
- loyalty of employees and consumers; access to cheaper financial resources;
- recognition and frequency of information about the company and the results of its work in the mass media and on Internet resources;
- fame of top managers on the market;
- high official and unofficial ratings, including international.

## SECTION II

### ANALYSIS OF THE ACTIVITY OF THE PJSC "KHARKIV BISCUIT FACTORY"

#### 2.1 General organizational characteristics of PJSC "Kharkiv Biscuit Factory"

PJSC "Kharkiv Biscuit Factory" is a part of the "Biscuit-Chocolate" corporation, same as "Kharkivianka" Confectionery Factory.

The corporation's enterprise development strategy is aimed at innovation, introduction of new technologies, original recipes, quality improvement and confectionery safety, which allowed to increase the presence products on highly competitive international and national markets.

The products are sold in all regions of Ukraine, as well as in other countries Western Europe, the Middle East, America and China.

Constantly improving technological processes and qualifications personnel in the corporation formed not only a successful team of professionals who produce 350 names of high-quality confectionery products, but also achieved recognition and trust of consumers.

In 1896, the confectionery factory of Georges Borman was founded. Georges Borman - an outstanding confectioner, received the title of "Supplier of the Imperial Court", as well as many international awards. This is considered the beginning of the industrial production of confectionery products in the city of Kharkiv. Later, in 1935, another large confectionery enterprise was created - "Kharkiv Biscuit Factory" [35].

The first branded confectionery shop belonging to the "George Borman" Trading House was opened at the very beginning of the 20th century. The shop, unique to Kharkiv, the only survivor from a significant list of confectionery shops of the beginning of the 20th century, became the signature shop of the Kharkiv Biscuit Factory, retaining the name "Vedmedyk".

Today, PJSC "Kharkiv Biscuit Factory" is a modern confectionery enterprise that specializes in the production of flour confectionery products. The total volume of production is about 40,000 tons of products per year. The enterprise employs 1,200 people.

PJSC "Kharkiv Biscuit Factory" has repeatedly taken first place in the National business rating of the best Ukrainian manufacturers for KVED 10.72.0 (production of cookies, pies and cakes for long-term storage).

The main goal of PJSC "Kharkiv Biscuit Factory" is to constantly improve the quality of products and satisfy the needs of consumers. The corporation achieves this thanks to the fact that it offers its consumers delicious confectionery products made from high-quality raw materials on modern equipment [10].

Biscuit and wafer factories are equipped with modern European equipment:

- Italian cracker production line;
- an Italian line for the production of biscuits and rolls;
- an Italian line for shortbread cakes with jam fillings;
- a German line for cookies with natural fruit fillers;
- the Austrian line for the production of multilayer wafers;
- an Austrian line for wafer tubes;
- an Austrian line for the production of waffle desserts with porous chocolate mass;
- the Austrian line for the production of glazed wafers;
- a German line for the production of cookies with chocolate bars;
- packaging machines of French, Italian and German production.

The team of the Kharkiv biscuit factory is permanently located in search for new production and technological solutions. Due to technical rearmament and modernization of capacities, there is constant optimization and improvement of production processes.

Careful selection of suppliers of raw materials and packaging materials, study of European requirements for the quality and safety of confectionery products allowed the biscuit factory to be one of the first in the confectionery

industry of Ukraine to enter the markets of Europe, America, Asia, and China with its products.

Quality and safety of manufactured products are controlled production laboratories equipped with modern devices and equipment for conducting physical and chemical tests. Raw materials and materials, semi-finished products and finished products are controlled here.

Compliance with all legislative and regulatory requirements in the production of confectionery at the Kharkiv Biscuit Factory is confirmed by the National Certification Body, with certificates of compliance with international standards ISO 9001: 2008 "Quality Management System" and ISO 22000: 2005 "Food Safety Management System.

Now the company works on the production technologies of the world's leading firms. The company uses high-quality raw materials that meet today's requirements. Modern equipment on which confectionery products are made allows to preserve the consumer and taste qualities of confectionery products with a shelf life of 6 months. The company also uses new packaging materials with high barrier qualities.

In 1987, re-equipment of the biscuit factory began. The equipment and latest technologies of the best companies in the world were installed, implemented and tested. This made it possible to improve product properties and expand the range:

- 1988 – a new Yugoslav line "Minel" was established for the production of long varieties of cookies;

- 1991 – the first cracker production line of the Italian company "ORLANDI" was installed and launched in Ukraine;

- 1995 – the equipment of the Austrian company "HAAS" for the production of the first waffle tubes in Ukraine and the equipment of the companies "REON" and "POLIN" for the production of buttery varieties of cookies were installed;

- 1996 – the line of the Italian company "SASIB BAKERY" for the production of biscuits and rolls, products fundamentally new for the confectionery industry of Ukraine, was launched;

- 1997 – the production of seven-layer wafers on the equipment of the Austrian company "HAAS" was started for the first time in Ukraine;
- 2000 – the second wafer line of the Austrian company "HAAS" was launched with the possibility of producing a wider assortment;
- 2001 - equipment for the production of glazed wafer products ("Kapriz", Mini-"Kapriz" cakes) was introduced; for the first time in Ukraine, the production of cast caramel began at the Kharkiv confectionery factory;
- 2002 – equipment for the production of waffle cones, new for Ukraine, was introduced;
- 2003 – the equipment of the German company "Bönke-Lukao" was introduced for the production of unique products of cookies in chocolate "Present"; the equipment of the company "Loveras" for the preparation of chocolate masses was installed and the production of shaped chocolate with filling was started;
- 2004 – wrapping equipment was installed and new packaging materials for premium candies were introduced.

At the factory, work is constantly being carried out to expand, update the assortment, and launch new types of products. The enterprise is also working on improving the quality of products. The Kharkiv Biscuit Factory PJSC implements and implements a policy in the field of quality. The main goals of this policy are:

- by increasing the competitiveness of confectionery products, strengthen the company's position on the domestic and foreign markets;
- maximum satisfaction of the expectations and demands of consumers regarding the quality of confectionery products, so that they are accessible to different segments of the population;
- environmental protection;
- compliance with all regulatory requirements regarding product quality and safety.

As of 31.12.2021, there are 434 items of confectionery offered to customers in the price list of Kharkiv Biscuit Factory. New product positions introduced during 2021 accounted for 1.5% of the total volume of products produced in the

flour group (these are desserts, butter cookies in boxes, new types of packaged products, mainly waffles, etc.). [10].

Kharkiv Biscuit Factory is one of the first confectioners in Ukraine which entered the markets of Europe, America, Asia, and China with its products. This became available thanks to the careful selection of suppliers of raw materials and materials, European requirements and the safety of confectionery products were also studied.

The products that are produced are controlled by laboratories. These laboratories are equipped with modern equipment for conducting various physical and chemical tests. The laboratory also controls raw materials, semi-finished products, and finished products.

At the Kharkiv Biscuit Factory, all legislative and regulatory requirements are observed during the production of confectionery products. This is confirmed by the National Certification Body. The factory is provided with certificates of compliance with international standards ISO 9001: 2008 "Quality management system" and ISO 22000: 2005 "Food safety management system". These certificates indicate that the factory ensures the quality of work starting from its design and ending with the sale of finished products [35].

Confectionery products of the biscuit factory are exported to Kazakhstan, Armenia, Azerbaijan, Kyrgyzstan, Moldova, Latvia, Lithuania, Estonia, Israel, USA, Canada, Germany, Belarus, Georgia, Turkmenistan, Czech Republic, UAE. This expansion of sales markets was achieved due to favorable conditions of cooperation and a wide assortment.

PJSC "Kharkiv Biscuit Factory" carries out production, commercial, and foreign economic activities.

Commercial activity includes: wholesale, retail, small wholesale, corporate and in the field of public catering; trade and purchasing activities, including among the population; provides mediation, marketing, leasing, information services; provides household, transport, construction, repair services; opens and operates its

own, branded, wholesale and retail stores, as well as activities related to the sale of manufactured products and products purchased from other entities [35].

The organizational structure of the enterprise is approved by the shareholders of the enterprise. The main structure of PJSC "Kharkiv Biscuit Factory" is the main production, which includes the following shops: biscuit shop, waffle shop and auxiliary services: chief mechanic's department, energy department, transport department, logistics department, etc. Administrative and management personnel are managers of the factory and structural units, employees of the accounting department, the marketing department, the planning department, the labor and labor department, the supply department, the personnel department, the laboratory, the legal service, and the ACS department [35].

The total number of employees as of the end of 2021 was 1,971. There are 63 people in management positions, 38 of them are women. [10].

The production structure of the enterprise looks as follows:

The main production includes 5 workshops:

- guild 1 has 2 departments - for the production of semi-finished products and for the production of confectionery, fondant varieties of candies, praline varieties of candies, caramel, toffee, dragee;
- guild 2 - retail (elite guild), specializes in the production of: dried varieties of candies, whipped varieties, grilled varieties, fruits alcoholized in chocolate;
- guild 3 specializes in the production of marshmallows;
- guild 4 is designed for the production of wafers, candies with a wafer case, oriental sweets;
- guild 5 for the production of semi-finished products.

Thus, PJSC "Kharkiv Biscuit Factory" is one of the leading confectionery factories in Ukraine. She is one of the main leaders of the Ukrainian confectionery industry. The company's market share is 5.3%. The company operates both on domestic and foreign markets.

The main strategic goals of the factory are the vector for growth. The company is constantly expanding and directing all its energy to growth. The goals

can also include the vector for profit maximization, the vector for increasing the level of social responsibility. The company constantly maintains a high level of business reputation among all groups of stakeholders.

## 2.2. Analysis of the economic activity of PJSC "Kharkiv Biscuit Factory"

Modern confectionery enterprise PJSC Kharkiv Biscuit Factory specializes in the production of confectionery products. The confectionery factory produces about 40,000 tons of products per year.

Let's consider the analysis of the economic activity of the enterprise.

As the analysis showed, PJSC "Kharkiv Biscuit Factory" is an enterprise with a stable financial condition.

Table 2.1 presents the net income from product sales and other operating income of Kharkiv Biscuit Factory PJSC.

Table 2.1 – Net income from product sales and other operating income of PJSC "Kharkiv Biscuit Factory" (thousand UAH)

Indicator	2020 year	2021 year
Income from the sale of all products	1905257	2275219
including		
- income from the sale of finished products (from flour, sugar)	1781163	2098018
- income from the sale of plant products	96150	152583
- income from the sale of livestock products	6226	5377
- other income from the sale of agricultural products (goods, works, services)	736	872
- other income from the sale of finished products (goods, works, services)	20982	18369
Other operating income total	181337	124225
including		
- income from the sale of other current assets	52702	38389
- income from the operational exchange rate difference	97683	46674
- other income from operating activities	30952	39162

As can be seen from Table 2.1, the general dynamics of indicators for 2020-2021 has a growing trend.

In figure 2.1. the net income from the sale of products of PJSC "Kharkiv Biscuit Factory" for 2017-2018 is presented.

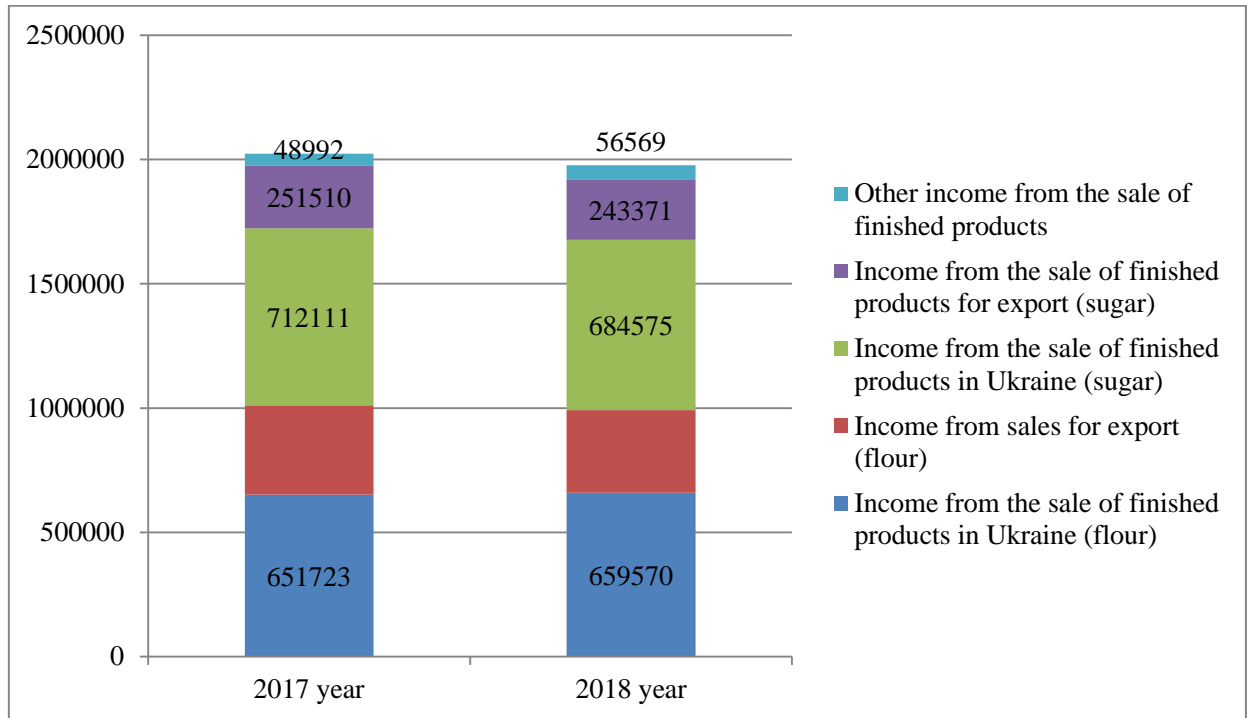


Fig. 2.1 – Net income from the sale of products of PJSC "Kharkiv Biscuit Factory" (thousand hryvnias)

Source: compiled by the author based on data [1]

The cost of sold products (goods, works, services) of PJSC "Kharkiv Biscuit Factory" for the period 2020-2021 is presented in the table. 2.2.

Table 2.2 – Cost of sold products (goods, works, services) PJSC "Kharkiv Biscuit Factory" (thousand UAH)

Indicator	2020 year	2021 year
Cost of sold finished products (from flour, sugar)	1503294	1844176
The cost of sold finished products of crop production	52820	78218
The cost of sold finished livestock products	15224	9376
Cost of other agricultural goods,	812	900

works, and services sold		
Cost of other sold goods, works, services	16366	8640
Total	1588516	1941310

*Source: compiled by the author based on data [24]*

The cost of sold products of PJSC "Kharkiv Biscuit Factory" for the period 2017-2018 is presented in the table. 2.3.

Table 2.3 – Cost of sold products of PJSC "Kharkiv Biscuit Factory" (thousand UAH)

Indicator	2020 year	2021 year
1	2	3
Cost of finished products sold in Ukraine (flour)	529702	551295
Cost price of sold finished products in Ukraine (sugar)	645339	621278
Cost of sold finished products for export (flour)	291737	277567
Cost of sold finished products for export (sugar)	228116	221054
Cost of finished products sold in retail trade (flour)	7663	8511
Cost of sold finished products in retail trade (sugar)	19254	22971
Cost of other sold goods, works, services	3923	4881
Total	1725734	1707561

*Source: compiled by the author based on data [1]*

As can be seen from Table 2.3, the cost of finished products sold in Ukraine (flour), the cost of finished products sold in Ukraine (sugary), the cost of finished products sold for export (flour), the cost of finished products sold for export (sugary) tend to decrease. But the cost price of sold finished products in retail trade (flour) and (sugar), as well as the cost price of other sold goods, works, and services have a tendency to increase.

Figure 2.2 shows the cost of sold products of PJSC "Kharkiv Biscuit Factory" for 2017-2018.

As can be seen from fig. 2.2 among the cost price of PJSC "Kharkiv Biscuit Factory" the highest specific weight is the cost price of finished products sold in Ukraine (sugar), the lowest specific weight is the cost price of sold finished products in retail trade (flour) and the cost price of other sold goods, works, and services.

The prospects for increasing production and sales of products of PJSC "Kharkiv Biscuit Factory" include increasing the company's capacity, expanding sales markets, increasing export volumes, expanding the assortment, introducing new types of products, and reducing the cost of production.

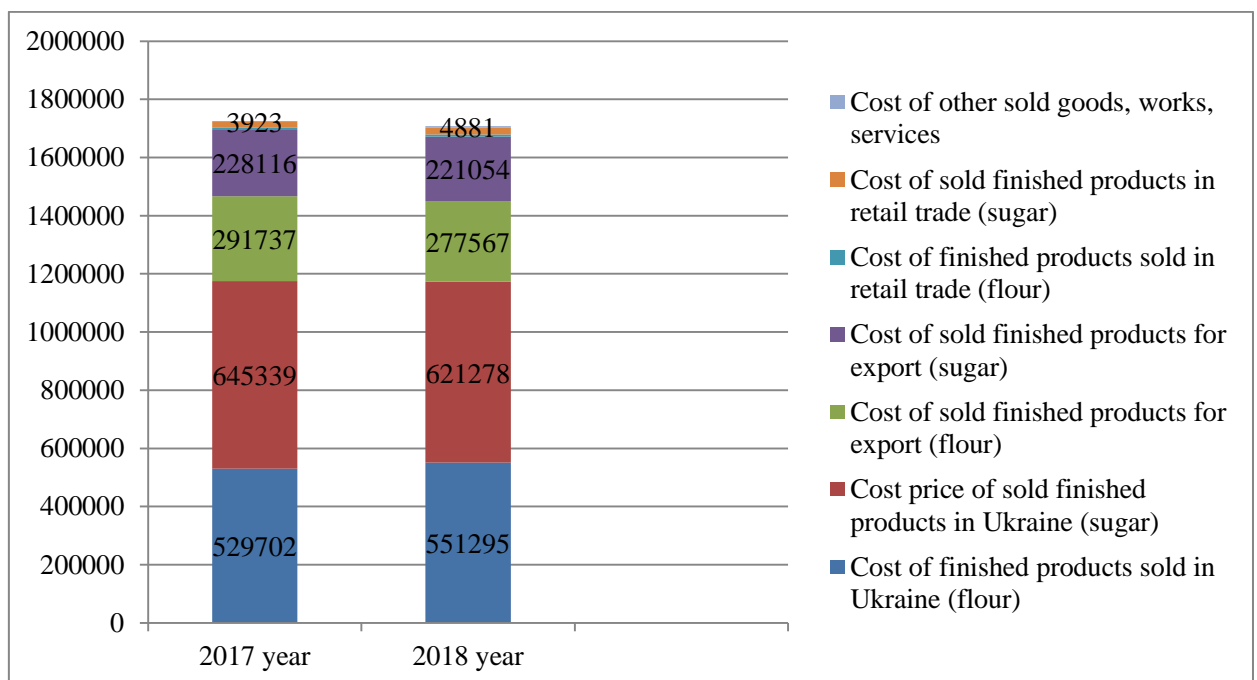


Fig. 2.2 – Cost of sold products of PJSC "Kharkiv Biscuit Factory" (thousand UAH)

Source: compiled by the author based on data [1]

Thus, from the analysis of the economic activity of PJSC "Kharkiv Biscuit Factory" it can be concluded that the company is financially stable, its activities are aimed at expanding production, conquering new sales markets, rational use of raw materials and materials. Also, the enterprise constantly carries out technical rearmament and modernization of equipment, optimizes and improves production. All these measures will allow the enterprise to maximize its profits and carry out effective activities.

### 2.3. Analysis of competitive advantages for the formation of a positive business reputation of PJSC "Kharkiv Biscuit Factory"

Competitiveness management at PJSC "Kharkiv Biscuit Factory" is carried out by the planning and economic department and the marketing department.

The head of the marketing department manages the implementation of the marketing strategy at the enterprise, carries out the work of the department as a whole. The deputy head of the marketing department manages the implementation of operational tasks issued by the head of the marketing department. The deputy head of the marketing department is responsible for the development and implementation of the company's marketing competitive strategy.

The responsibilities of the product manager include market research and market promotion of an assortment of goods, market monitoring. The standardization specialist is responsible for monitoring the implementation of new conditions regarding new developments, technologies, standards, as well as their implementation. Technological engineers manage the technical introduction of a new assortment and its development into production.

In order to identify the occupied niche in the confectionery market, the main methods of analytical assessment of competitiveness - SWOT and PEST-analysis methods are used in the work (tables 2.4-2.5).

The tasks that are set before the enterprise regarding the identification of competitive advantages must be clearly justified. First, it is necessary to conduct an analysis of both the external and internal environment. Such an analysis is carried out using the SWOT matrix. Such a SWOT analysis is quite common and available. But, in turn, it allows you to clearly describe the state of the external and internal environment of the enterprise.

When analyzing the external situation, the following factors are identified, which are significant for a specific period. And the state of the company will

depend on how successfully it can not only react, but also control various external influences.

Consideration of the external situation with the company's capabilities allows making managerial decisions and resolving problems. When solving such problems, it is necessary to clearly understand whether such factors are subject to control by the company. It is necessary to clearly imagine whether they are internal or external, or whether they are amenable to the company's efforts to change something. It can also be external actions, then the company will not be able to influence them.

The SWOT analysis allows for a comprehensive assessment of internal and external factors affecting the company's development. SWOT analysis provides an opportunity to assess advantages over competitors, identify weaknesses in the development of the enterprise, potential opportunities and threats to the enterprise.

For the successful application of SWOT analysis, it is necessary not only to determine the threats and opportunities of the company, but also to try to evaluate them from the point of view of how significant for the company is the accounting and strategy of its behavior in relation to the identified threats and opportunities.

It is clear that a strategy of using strengths and opportunities to protect weaknesses and eliminate threats must be applied. Positive results of the implementation of this strategy can be achieved by using the opportunities, as well as by solving problems.

The SWOT analysis of PJSC "Kharkiv Biscuit Factory" is presented in Table 2. 4.

Also, one of the methods of analytical assessment of the competitiveness of PJSC "Kharkiv Biscuit Factory" is the PEST-analysis method. PEST-analysis involves strategic planning in the long term and is made for 3-5 years ahead, and needs to be updated annually.

As part of the PEST analysis, political factors should be studied first of all, since the central government regulates the mechanism of circulation of funds and other issues related to obtaining the necessary resources.

Table 2. 4 – SWOT analysis of activities of PJSC "Kharkiv Biscuit Factory"

Strengths	Weaknesses
<p>Good geographical location of production facilities.</p> <p>The city of Kharkiv is one of the powerful consumer markets of Ukraine, including flour and sugar confectionery.</p> <p>High quality management of Kharkiv Biscuit Factory PJSC.</p> <p>Fairly low labor costs compared to the main competitors.</p> <p>Availability of significant capital investments in the development and expansion of production</p>	<p>The range and quality of products can be better than competitors</p> <p>Instability of prices for imported raw materials (for example, additives, essences).</p> <p>A decrease in production due to the increase in the price of raw materials.</p> <p>Negative situation in ecology, which can affect product quality</p> <p>Imperfect tax legislation, which limits the possibilities of further expansion of activities</p>
Opportunities	Threats
<p>Implementation of confectionery products for export.</p> <p>Expansion of new types of product range, conquest of a larger market share, reduction of prices for its products.</p> <p>Searching for new ways to meet consumer needs</p>	<p>A significant increase in inflation, price increases, a decrease in the welfare of the population, and a decrease in the potential number of buyers of confectionery products.</p> <p>The devaluation of the national currency makes imported confectionery significantly competitive compared to similar products of PJSC Kharkiv Biscuit Factory.</p> <p>Promotion of import of products by the state.</p> <p>Importation of contraband confectionery into the territory of Ukraine.</p> <p>Dependence on raw material supplies, constant rise in raw material prices.</p>

*Source: developed by the author*

Analysis of economic factors will allow to understand the mechanism of distribution of the main economic resources by the state. Social factors are related to the formation of consumer preferences and possible demand. Technological factors are also very important because with rapid technological changes there is a threat of losing the market. Therefore, modern business needs broad awareness of the development of science and technology. PEST analysis should cover all 4 groups of factors.

The PEST analysis of the activities of PJSC "Kharkiv Biscuit Factory" is presented in the table. 2.5.

Table 2.5 – PEST analysis of the activities of PJSC "Kharkiv Biscuit Factory"

Political factors	Economic factors
<p>Increase in duties on imported raw materials and imported confectionery. Unstable political and military situation.</p>	<p>Low growth of population incomes. Increase in the level of inflation. Growth in retail and wholesale trade turnover. The increase in the cost of paid services. High level of competition in the market.</p>
Social factors	Technological factors
<p>Consumers' fondness for sweets. Growth in the consumption of confectionery products. Great impact of advertising on potential consumers. Growth of children's target audience.</p>	<p>Improvement of production. Emergence of new types of confectionery products. Improvement of sales and product promotion technologies.</p>

*Source: developed by the author*

PJSC Kharkiv Biscuit Factory pays a lot of attention to its strengths and weaknesses. This makes it possible to assess the company's real capabilities in competition, and also contributes to the development of measures by which the company can increase the level of competitiveness and increase profitability.

The company's powerful brand is supported by a fairly wide range of confectionery products, a rich recipe and production traditions. But, as can be seen from the analyzes of strengths and weaknesses, for PJSC "Kharkiv Biscuit Factory" there are almost the same threats that are typical for the confectionery industry market, namely: dependence on prices for the supply of raw materials, which affects the formation of the price of confectionery products.

The main problems associated with the activities of PJSC "Kharkiv Biscuit Factory" are problems related to the maintenance and expansion of the product

sales market, the unstable economic situation in the country, devaluation of the hryvnia, significant fluctuations in the exchange rate, etc.

The main problems can also be considered a decrease in the solvency of the Ukrainian population, an increase in the level of inflation, problems with exchange rate fluctuations, difficulties with currency conversion in some confectionery importing countries, increased competition, etc.

One of the problems is the lack of highly specialized personnel. In recent years, the percentage of dismissed workers has been increasing. This release occurs at the expense of going to earn money in European countries. Therefore, the company is forced to raise wages in order to keep the company's workers. But it greatly affects the reduction of labor productivity.

Another problem that affects the company's activity is the increase in the cost of direct costs. This is related to the production of products (increased prices for raw materials, materials, energy sources, increased labor costs, etc.) and an impossible simultaneous increase in prices for finished products.

The application of SWOT and PEST analysis methods of PJSC "Kharkiv Biscuit Factory" made it possible to identify the main factors restraining the company's development process, and based on their analysis, to propose a number of promising directions for increasing the competitiveness of PJSC "Kharkiv Biscuit Factory" in Section 3.

#### Conclusions for the Section II:

PJSC Kharkiv Biscuit Factory is one of the leading confectionery factories in Ukraine. It is one of the main leaders of the Ukrainian confectionery industry. The company operates both on domestic and foreign markets.

The main strategic goals of the factory are the vector for growth. The company is constantly expanding and directing all its energy to growth. The goals can also include the vector for profit maximization, the vector for increasing the level of social responsibility. The company constantly maintains its image and

keeps consumers. PJSC "Kharkiv Biscuit Factory" belongs to enterprises whose financial condition can be characterized as stable.

The company is financially stable, its activities are aimed at expanding production, conquering new sales markets, rational use of raw materials. Also, the enterprise constantly carries out technical rearmament and modernization of equipment, optimizes and improves production.

The application of SWOT and PEST analysis methods of PJSC "Kharkiv Biscuit Factory" made it possible to identify the main factors restraining the company's development process, and based on their analysis, to propose a number of promising directions for improving the level of business reputation of the company being analyzed.

### SECTION III

## DEVELOPMENT OF BUSINESS REPUTATION MANAGEMENT OF THE COMPANY

3.1. Experience in the implementation of corporate social responsibility, which has a positive effect on the level of business reputation of enterprises in the confectionery industry in Ukraine

The social responsibility of business in the economy is the proper quality of goods and services, a high level of production safety, and normal working conditions for personnel. This is a kind of social contract between business, the consumer and the government, the purpose of which is to promote the good of the whole society [28].

Corporate social responsibility is considered a separate area of business that raises the level of the social ecosystem around its enterprises. Thanks to it, a business can bring benefits to society, while at the same time contributing to an increased company's own business reputation.

It is worth noting that the importance of corporate social responsibility is equally important both for society and for each enterprise separately. Corporate social responsibility activities contribute to increasing the level of the company's business reputation, namely, it can help:

- establish relations between employees and companies;
- promote the development of morals and ethics;
- increase staff loyalty and create attractive working conditions and opportunities for professional and career growth;
- to attract investments and enter world markets.

The basis of the model of implementation of the principles of social responsibility is the level of responsibility.

Table 3.1 – Levels of social responsibility and description of their obligations

Basic level	The level of "corporate responsibility"	Higher level
timely payment of taxes, payment of wages, creation of new jobs (expansion of staff)	providing employees with adequate working and living conditions (improving the level of staff qualifications, treating employees and developing the social sphere)	charitable activities (various social projects for the benefit of society)

*Source: developed by the author*

It should be noted that the funds that the company spends on a higher level of social responsibility bring more benefit to society, in contrast to the costs of advertising. For many consumers, this is an important argument when they are faced with the choice of which products to consume. Therefore, many companies, introducing various social projects, try to emphasize that they share common values with consumers.

PJSC "Kharkiv Biscuit Factory" advocates environmental responsibility, actively participates in the implementation of the "EcoArt "Transformation" project.

The organizer of the project and the annual exhibition "EcoArt "TRANSFORMATION" is the Regional Organizational and Methodological Center of Culture and Art and the advertising agency "IRIS". PJSC "Kharkiv Biscuit Factory" has been a partner of this project for the past few years.

Art objects that combine visual aesthetics and ethics of a responsible attitude towards the environment are traditionally presented to the general public at the exhibition. All of them are the result of the implementation of a new and relevant artistic and ecological approach to the remains of production and used things.

The ability to see a resource in the usual, everyday, to find creative solutions to create something new and interesting is demonstrated by eco-makers - both

professional designers and artists, and amateurs; both teachers and students of art institutions, as well as folk masters and craftsmen.

EcoArt is a fresh look at seemingly forgotten and useless things (household items and clothes) that have partially or completely lost their consumer properties, but in the process of transformation become objects of art or acquire new applied and useful properties.

The main idea of the exhibition is to draw the public's attention to the economical use of materials, things and natural resources, which is very important for awareness of the global problem of garbage and waste disposal.

The exhibition and its exhibits prove that everyone can make their contribution, small at first glance, but important for society as a whole, preventing or reducing the volume of waste generation in the everyday life of each family.

Special visitors are creative youth and students from art schools and schools of aesthetic education, for whom the ideas of EcoArt are a new impetus for creativity and the development of environmental consciousness and culture. On the eve of St. Nicholas Day, many children will visit the exhibition, where they will be treated to an interesting tour and sweets of the "Biscuit-Chocolate" trademark. [25].

A good example of corporate social responsibility is the Ukrainian confectionary company "A.V.K.", which paid great attention to significant investments and acquisitions, including numerous acquisitions in Germany, Spain, Great Britain, Australia and the UAE. One of the most important principles of corporate social responsibility of A.V.K. there is a clear demarcation of the spheres of responsibility of employees in the work process. The company treats recruitment professionally and considers its team to be the main secret of success. After all, only the professionalism of the team can lead to the success of the set goals. To implement these requirements, the company "A.V.K." provides all opportunities for professional growth and self-realization of everyone. In order to maintain its reputation, the company makes significant investments in modern equipment, as well as in the development of new technologies and product

categories. The company constantly tries to implement a transparent and open policy in business relations.

Undoubtedly, the company "A.V.K." is engaged in the implementation of social projects. In 2017, a social project called "Early Birds" was launched in partnership with the online magazine "Platfor.ma". The purpose of this project was to find young Ukrainian talents and communicate with them. Thus, young people had the opportunity to tell, share their stories and inspire others to new achievements.

In 2018, the company "A.V.K." implemented a project called "Realization of a Children's Dream", within the framework of which the cherished dreams of small children were realized. The company will pay for children's education in specialized institutions, during which they will learn the basics of the professions of their dreams, in order to become professionals in their field in the future. Thus, the company is constantly developing its corporate social responsibility, as well as expanding its target audience. [2].

Another example of implementing the principles of corporate social responsibility can be considered Roshen Confectionery Corporation. The company invests a lot of effort in the development of its staff in professional and personal growth, and also aims at motivating its employees. The company invests a significant amount in the improvement of medicine. One such program is the Okhmatdit project. Its goal is to provide hospitals with modern and powerful equipment for the comfort of doctors and patients. Also, in 2018, the company entered into collaboration with the National Cancer Institute to expand the project of charitable assistance in the field of health care.

As for ecology, over the years of its activity, Roshen Confectionery Corporation has reviewed every element of its business - from product design and packaging to production facilities, logistics - in search of opportunities to reduce energy consumption and reduce greenhouse gas emissions. The company uses electronic document management, uses double-sided printing and is engaged in encouraging employees to e-learning. [43].

Consider the confectionery company "Mondelis Ukraine", which implements its corporate social responsibility initiatives through participation in volunteer projects, maintaining a healthy diet and an active lifestyle. The company's strategic goal is to be the best place to work for its employees, so great attention is paid to the staff, providing them with everything they need to realize their potential. It is worth noting that the company pays a lot of attention to caring for the environment. Confectionery company "Mondelis Ukraine" is trying to save on water and energy consumption by installing devices that capture the heat of gases supplied from furnaces and boiler rooms. Also, the company sends most of its waste for reprocessing - paper, polyethylene, wood, metal and sanitary waste. In 2012, the company introduced a large-scale social project called "The Happiness of Making Coffee", within which the company will invest more than 200 million dollars by 2020. investments to support coffee farmers [40].

Having studied the experience of successful social projects of confectionery companies, in order to achieve a successful business and a high level of business reputation in the process of implementing these programs, it is advisable for companies to adhere to the following basic principles:

- improvement of environmental processes - increase in productivity and income, cost savings when using the company's equipment. This can include: internal procedures and communications built on an economical approach to natural resources, eco-initiatives for cleaning local areas near offices and shops, landscaping areas;

- access to new sales markets, which helps to expand the enterprise's resource base;

- standardization according to international standards (ISO, etc.);

- formation of the company's reputation - growth of customer loyalty and brand value, as well as establishment of partnership relations;

- effective risk management - the ability to quickly respond to critical problems in the company and prompt access to information;

– human resources – saving resources for the development and retention of qualified specialists.

On the basis of the above, we built a scheme that characterizes the success of the implementation of corporate social responsibility projects and will have a positive impact on the level of the company's business reputation.

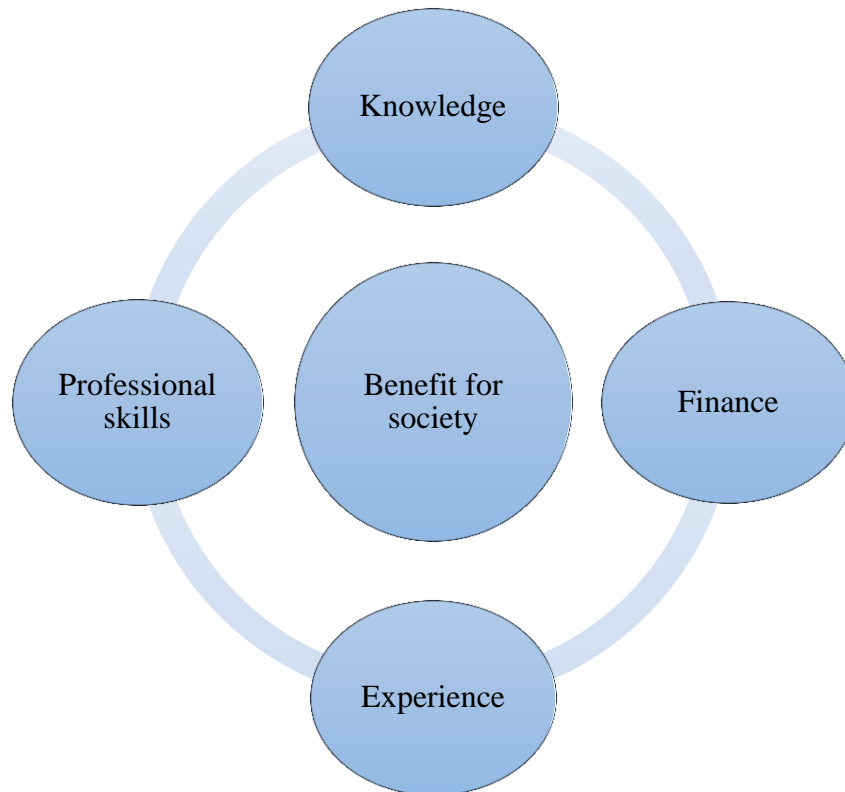


Figure 3.1 – Implementation scheme of successful corporate social responsibility projects

*Source: developed by the author*

According to fig. 3.1 such indicators as: experience, finances, knowledge and professional skills will have an impact on society and should bring success in the implementation of any project of corporate social responsibility.

When a company embarks on the path of social responsibility, it is important to correctly calculate its strengths and available resources. At the beginning, it is better to choose several priority areas and achieve maximum efficiency in them. Over time, building up experience in the field of responsible behavior and social

development, it will be easier for companies to expand the list of areas of their social responsibility. Do not forget that with the passage of time and changes in external and internal conditions, priorities may change.

3.2. Innovative development of PJSC "Kharkiv Biscuit Factory" is a guarantee of a high level of the company's business reputation

In conditions of general acceleration of scientific and technical progress, globalization and internationalization of the market, increased competition, which is accompanied by a reduction in the validity of competitive advantages and the need to divide the market into segments, niches, micro-segments - innovation becomes a key success factor, a means ensuring a high level of the company's business reputation.

And strategic management of innovations is the most important the task of forming competitive advantages of the enterprise, the implementation of which depends on the quality of innovative decisions made.

Innovation is vital to any business, but especially if this company is committed to long-term success. The process of forming an effective system of innovative management of PJSC "Kharkiv Biscuit Factory" depends on the level of its innovation potential - its capabilities in achieving innovative goals that were delivered Implementation of goals on a global scale is a means of obtaining rather high profits in the long term, increase competitive opportunities on the market, solutions problems of survival in conditions of uncertainty. The higher the level of innovative potential of PJSC Kharkiv Biscuit Factory, the easier it is to avoid crisis situations.

At the same time, it is worth adding that the innovative potential of any enterprise, in including and PJSC "Kharkiv Biscuit Factory" is determined by both technical and managerial factors. These include:

- the level of development of production, which developed earlier;
- state of the mechanism and control system;

- type and orientation of the organizational structure;
- trends in economic and innovation policy;
- understanding of the need for changes and staff readiness for them

(Table 3.2).

Table 3.2 – Factors of innovative potential of PJSC "Kharkiv Biscuit Factory" as guarantors of the company's high business reputation

Factors determining the innovative potential of the enterprise	1. The level of development of production that developed earlier
	2. State of the mechanism and control system
	3. Type and orientation of the organizational structure
	4. Trends in economic and innovation policy
	5. Understanding the need for changes and staff readiness for them

Of the above-listed components of PJSC Kharkiv Biscuit Factory, attention should be paid to the need for changes in the organizational structure (when applying the proposed crisis prevention directions, it will require changes), as well as the management system.

All the components that are listed above and determine the level of innovation potential can be divided into the following groups:

- 1) factors of own innovation process as an independent object of management;
- 2) factors of the internal environment;
- 3) environmental factors.

The first group of components consists of a set of internal capabilities of the innovation process as a separate system. Here, first of all, such elements of the innovation process as goal setting, development of innovative solutions, projects and programs are singled out.

The weak point of PJSC "Kharkiv Biscuit Factory" at this stage is the slow pace of introducing innovations (including modified ones), due to the reluctance of

employees to engage in innovative activities. The reason is a low level of motivation.

The second group of components includes such capabilities of the company, which are manifested in various aspects of its financial and economic condition, the condition of the management system, the organizational and technical level of the communication system, etc.

Innovative potential of PJSC "Kharkiv Biscuit Factory" is determined by the size of its resources, both material and informational, and directly depends on the quality and level of professionalism of management personnel. As for the second group, here the opportunities of PJSC "Kharkiv Biscuit Factory" are significantly limited by its financial condition.

In addition, there are factors that are favorable and unfavorable to the development of innovations (Fig. 3.2).

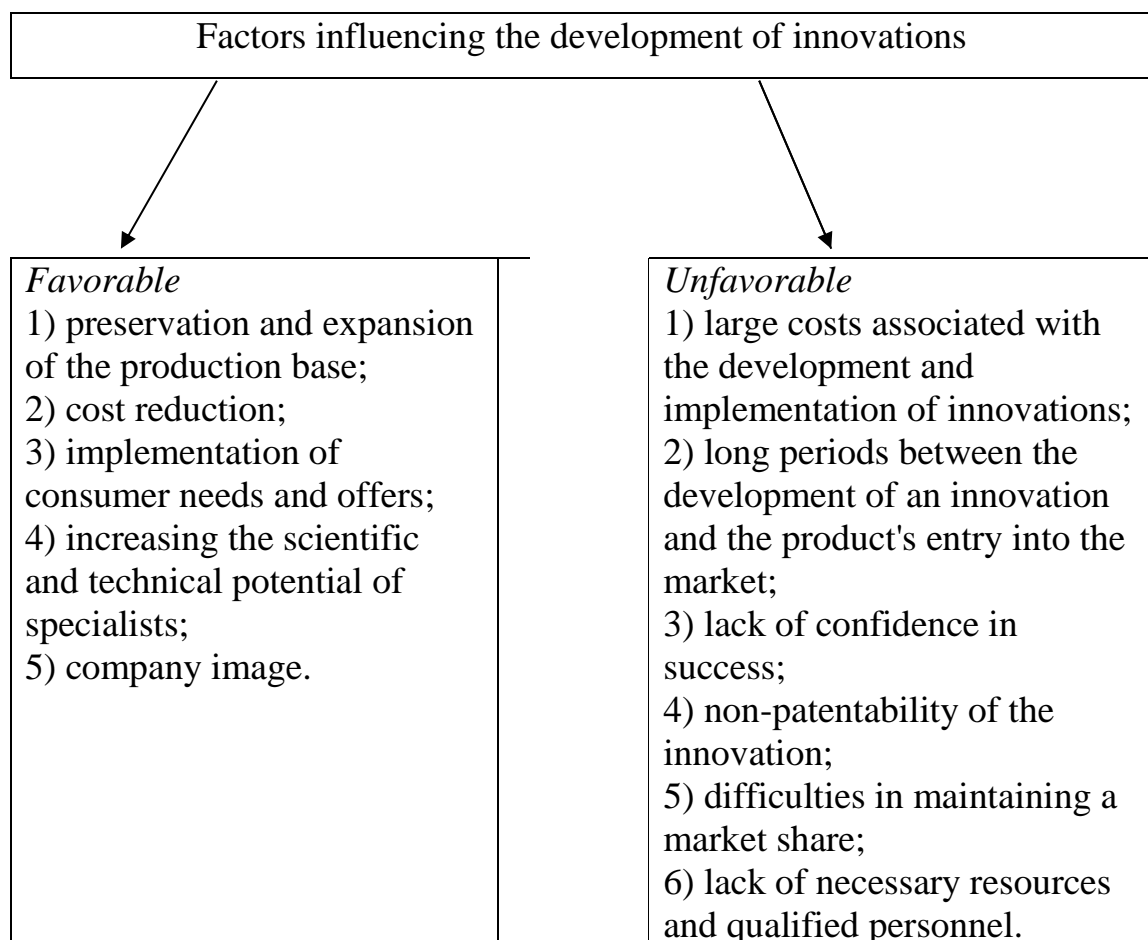


Figure 3.2 – Factors influencing the development of innovations at PJSC "Kharkiv biscuit factory"

Favorable factors: preservation and expansion of the production base; cost reduction; implementation of consumer needs and offers; improvement of professional skills and intellectual potential of specialists; the image of the company.

Disadvantages: high costs associated with development and introduction of innovations; long periods between the development of an innovation and the product's entry into the market; lack of confidence in success; non-patentability of an innovation; difficulties in maintaining market share; lack of necessary resources and qualified personnel.

The factors affecting the development of innovations in the organization are listed, the innovative capabilities of which are determined not only by its size, the amount of capital, the development of the production base, etc., but also by the level of scientific and technical and management potential of specialists.

Among the favorable factors at PJSC "Kharkiv Biscuit Factory" it is worth noting: the desire to satisfy the needs and suggestions of the consumer, because, as a rule, developments are made to order, taking into account all wishes; the desire to maintain the company's image; the desire to release quality products at a price lower than the price of competitors and foreign similar manufacturers.

The main unfavorable factors of PJSC "Kharkiv Biscuit Factory" are the large costs associated with the development and implementation innovations; long periods between the development of an innovation and its introduction to the market.

A feature that distinguishes a successful enterprise from an ordinary one is the focus on the innovation process, namely on the personnel engaged in the development of innovations. Usually, a special group responsible for creating new ideas is organized; search by this group of various sources of information, both internal and external.

It is especially important to use a variety of modern practices for stimulating the creative activity of employees; encouragement and support of innovative activity by managers at all levels with the help of special budget payments. Decisions on the selection and implementation of innovations on a collective basis are also encouraged. And the last important feature is the presence of a clear innovation management strategy.

Innovative strategy is closely related to the principles of business management, it requires forecasting skills, realism, entrepreneurial approach, imagination, initiative and rationality from the manager.

An important condition for management in complex systems is the ability to determine priorities. The responsibility for the innovative strategy that determines the survival of the company is the responsibility of the managers. The task of the top management is to identify the management potential necessary for the specific conditions of the organization's functioning, to systematically review its own "reserves" of management talent, to determine the scope and goals of the necessary management training and to allocate appropriate resources.

There are two main types of innovation strategies:

- 1) competitive, when the innovation is used as a starting point for achieving success, as a means of obtaining competitive advantages;
- 2) adaptive, when the enterprise uses innovation as a reaction to changing market conditions in order to maintain its position on the market, that is, to survive.

PJSC Kharkiv Biscuit Factory uses an adaptive strategy. It is manifested in the concentration of efforts on partial changes, improvement of existing products, technologies. In most cases, all actions do not go beyond traditional ways of achieving goals. Such a strategy deprives the company of the opportunity to see and use new production and market opportunities, find new competitive advantages and, in general, makes this strategy obvious to competitors. In practice, there are many examples when the socio-economic system functioned relatively successfully, but did not developed a contradiction arises between these two

processes, which in case of exacerbation leads to a crisis. Adaptive organizations can continue along the same path that has led them to success in the past only to the extent that competitive conditions remain relatively static. However, when conditions change dramatically, the adaptive approach does not provide an opportunity to critically reevaluate methods of problem solving. This is where his threat lies.

In this aspect, for PJSC "Kharkiv Biscuit Factory" a competitive strategy is more profitable and viable. It is based on a creative approach, provides double feedback through the analysis of the innovative environment of the company, which, in turn, is related to the factors of innovative potential. This strategy requires constant innovation, self-improvement of the organization through constant evaluation and by experimenting with ways of analyzing and solving problems.

The level of innovative potential of the enterprise largely depends on previous experience, conditions of operation of units carrying out innovations, level of production, marketing. The decisive factor is how management experience is assimilated, what conclusions are drawn from the past.

Specialists distinguish four different, but interconnected levels organizational experience:

1. the level of the external environment - conditions, competitors, consumers, etc.;
2. the level of the organization's (manager's) own actions – innovative strategy, management procedures and methods, etc.;
3. the level of processes and methods of identifying, defining and solving problems used in the organization (by the manager), for example, culture, level of knowledge, functional specialization.
4. the level of organizational consciousness, which combines the first three.

However, PJSC "Kharkiv Biscuit Factory", as an adaptive organization, considers the phenomenon of one level at every given moment, thereby limiting its

development, and sometimes has only short-term financial success, without gaining a competitive advantage.

If PJSC "Kharkiv Biscuit Factory" will be aimed at using all levels of organizational experience, this will allow experimenting, analyzing successes and failures, drawing conclusions from experience.

In this case, the basis of his activity will be system thinking, which opens up opportunities for creativity that leads to innovation.

Creativity has two important aspects. One of them is one's own flexibility, that is, the ability to change one's own behavior under the influence of the real environment. That is, the managers of PJSC "Kharkiv Biscuit Factory" should be able to abandon the usual management style, expand the possibilities of their behavior, explore new aspects.

The second aspect is the willingness to take risks. Adding creativity to management means freeing it from the fear of failure. In this context, the results of actions, positive or negative, are not seen as success or failure, but as information that can be used to develop further actions.

Thus, the innovative potential of PJSC "Kharkiv Biscuit Factory", along with the importance of the level of R&D development and the technological production level of the enterprise, depends on the level of organizational awareness of the management staff of the company.

### 3.3. Directions for improving the corporate image of PJSC "Kharkiv Biscuit Factory"

Corporate image is the perception of a certain business by the general public; these are the visual, emotional and conceptual impressions that the enterprise makes on the public.

The main elements of the corporate image are:

- 1) the main business and financial indicators of the enterprise;
- 2) reputation and performance of brands;

- 3) reputation for innovation or technological superiority, which, as a rule, is based on specific events;
- 4) enterprise policy regarding hired employees and workers;
- 5) external relations with clients, shareholders and the community;
- 6) perceived trends in the markets in which the enterprise operates and how the public sees it.

The structure of the corporate image is a combination of internal and external image. The external image is the assessment of the company by the external community, and the internal image is formed on the basis of the collective opinion of the personnel of this organization. At the same time, the external image is not homogeneous, it has its own specificity. The internal image, as a rule, is homogeneous.

Characteristics of the corporate image [26]:

1. Adequacy, plausibility - the created image must correspond to what is in reality.
2. The image should be a complex formation. After all, the consumer pays attention not only and not so much to the text and illustrations, but also to the qualities that make up the individuality of the company.

Improving the corporate image can be achieved through competent management of competitive advantages. In conditions where the structure of the market is constantly changing, it is necessary to develop a certain competitive strategy that allows a comprehensive approach to quality management and increasing the competitiveness of products.

Brand development can be considered an effective tool for improving the company's image. A brand is an identifying symbol, word or name by which a company distinguishes its product from others. The greater the value of the brand, the greater the cost of equity.

Strong branding generally means the reliability of using a name that can be trusted, and that consumers have a positive impression of the company.

The goal is to make the brand memorable and attractive to the consumer. A successful brand accurately reflects the message about the feelings that the company is trying to convey to the consumer. This leads to brand awareness or recognition of the existence of the brand.

The company created its own brand when the brand created a positive image among its target audience. If the brand is designed correctly, it leads to increased sales not only of the specific product sold, but also of other products sold by the same company. A good brand creates consumer trust, and after a good experience with one product, the consumer is more likely to try another product associated with the same brand. This phenomenon is often called brand loyalty.

To ensure high productivity of employees, the management needs to form and implement programs of systematic training and training of personnel with the aim of more fully revealing their capabilities. This measure is cheaper than hiring workers from outside. In addition, the interest of own employees in achieving better performance results increases, the moral climate improves, and the commitment of employees to the company increases.

Further development of PJSC "Kharkiv Biscuit Factory" may be associated with an increase in the volume of production of the main products, an increase in the quality of the products produced, and an improvement of the sales system.

The next direction of improving the image of PJSC "Kharkiv Biscuit Factory" is the expansion of the range of products. In modern conditions, the main competitors of PJSC "Kharkiv Biscuit Factory" are Roshen, Conti and AVK. These companies have a much wider product range. In contrast to these companies, the range and assortment of the biscuit factory is much smaller. Thus, the offer of new types of confectionery, taking into account the satisfaction of consumer demand, can be one of the main tasks for PJSC "Kharkiv Biscuit Factory".

The main directions of technical development of production, contributing both to the increase of product competitiveness and to the improvement of the company's corporate image, can be:

- reconstruction and modernization of existing equipment;

- expansion of production areas;
- purchase of new equipment;
- improvement of production culture.

In order to increase the efficiency of the work of PJSC "Kharkiv Biscuit Factory", the main measures should be aimed at intensifying marketing activities. In practice, the use of specific marketing tools that allow attracting the attention of additional consumers is significant. Tasting of new products in the chain of large supermarkets can be used as a marketing technique. The buyer will know the taste of new candies and will buy them without fear. You can use the application of discounts on some types of goods during the holidays, the costs of the discounts will be covered by the quantity of the purchased goods.

As means of advertising PJSC "Kharkiv Biscuit Factory" it is necessary to make wider use of mass media and special printed and souvenir products. When advertising products, one should always remember the novelty and originality of ideas. You can use outdoor advertising boards. Conduct surveys of the population about product quality, preferences, and wishes.

When advertising, you should also remember about word of mouth. Here you need to pay attention to the taste of products, aesthetic appearance and diversity. Maximum attention should be paid to the wishes of the buyer. A buyer who is satisfied with the quality of the product tells about it to his colleagues, acquaintances, friends, relatives. And they, in turn, will tell their neighbors, who will also take the opportunity to tell others.

The development of a new range of products and its introduction to the markets should be carried out in the short term. Because the external market environment is not stable, changes are constantly taking place in it.

If the enterprise is not in a hurry to master and introduce a new range of products and conquer new markets, then in this case, the competitors of such an enterprise will do it for it and be the first to take advantage of the opportunities to satisfy the needs of potential consumers.

From the above, it can be concluded that for PJSC "Kharkiv Biscuit Factory" the main strategic goal is the development and implementation of such a very flexible system of response to the external environment, namely to the actions of competitors. With the help of such a system, the enterprise is able to react quickly and be as flexible as possible and adapt to the changes that occur in the external environment. The basis of the changes that may occur may be a change in the policy regarding goods, the expansion and conquest of new markets, the entry into the market of new technologies, re-equipment of production, replacement of the organizational and legal form of the enterprise, the introduction of new types of product sales, the organization of joint productions.

Areas of increasing competitiveness that contribute to increasing the business reputation of PJSC "Kharkiv Biscuit Factory" are presented in Figure 3.3.

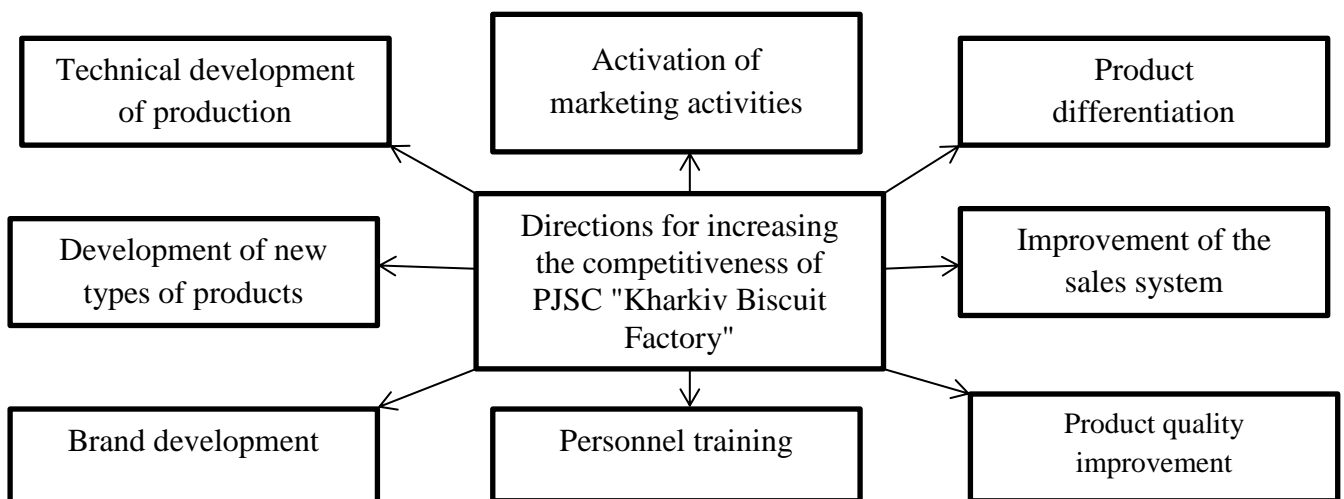


Figure 3.3 - Areas of increasing competitiveness that contribute to increasing the business reputation of PJSC "Kharkiv Biscuit Factory"

*Source: constructed by the author*

From the above, it can be concluded that the main directions of improving the corporate image of PJSC "Kharkiv Biscuit Factory" include:

- brand development, which will lead to an increase in sales not only of the specific product sold, but also of other products sold by the same company;
- development and launch of production of new types of confectionery products and new types of bakery products;
- intensification of marketing activities with the help of specific marketing tools that will attract the attention of additional consumers;
- expansion of the range of products, taking into account the satisfaction of consumer demand, ensures a sufficiently stable advantage of consumers;
- personnel training through the formation and implementation of a program of systematic training and personnel training;
- introduction of a very flexible system of response to the external environment, namely to the actions of competitors.

The implementation of all the above-mentioned directions in the work of the enterprise will help PJSC "Kharkiv Biscuit Factory" to win a larger share of the confectionery market and increase the level of business reputation.

#### Conclusions for the Section III:

Corporate social responsibility is considered a separate area of business that raises the level of the social ecosystem around its enterprises. Thanks to it, a business can bring benefits to society, while at the same time contributing to an increased company's own business reputation.

It is worth noting that the importance of corporate social responsibility is equally important both for society and for each enterprise separately. Corporate social responsibility activities contribute to increasing the level of the company's business reputation, namely, it can help:

- establish relations between employees and companies;
- promote the development of morals and ethics;

- increase staff loyalty and create attractive working conditions and opportunities for professional and career growth;
- attract investments and enter world markets.

In conditions of general acceleration of scientific and technical progress, globalization and internationalization of the market, increased competition, which is accompanied by a shortening of the validity of competitive advantages and the need to divide the market into segments, niches, micro-segments - innovation becomes a key success factor, a means of ensuring a high level of the company's business reputation.

The process of forming an effective innovation management system of PJSC "Kharkiv Biscuit Factory" depends on the level of its innovative potential - its capabilities in achieving the innovative goals that have been set. The implementation of goals on a global scale is a means of obtaining fairly high profits in the long term, increasing competitive opportunities in the market, solving problems of survival in conditions of uncertainty.

At the same time, it is worth adding that the innovative potential of any enterprise, including PJSC "Kharkiv Biscuit Factory" is determined by both technical and managerial factors. These include:

- the level of development of production, which developed earlier;
- state of the mechanism and control system;
- type and orientation of the organizational structure;
- trends in economic and innovation policy;
- understanding of the need for changes and readiness of the staff for them.

Corporate image is the perception of a certain business by the general public; these are the visual, emotional and conceptual impressions that the enterprise makes on the public. The main elements of the corporate image are:

- the main business and financial indicators of the enterprise;
- reputation and performance of brands;
- reputation for innovation or technological superiority, usually based on specific events;

- the company's policy regarding hired employees and workers;
- external relations with clients, shareholders and community;
- perceived trends in the markets in which the company operates and how the public sees it.

Improving the corporate image can be achieved through competent management of competitive advantages. In conditions where the structure of the market is constantly changing, it is necessary to develop a certain competitive strategy that allows a comprehensive approach to quality management and increasing the competitiveness of products.

## CONCLUSIONS

The business reputation of an enterprise operating in the context of information business development is the main asset that has a significant value and is built on such components as reputation, image and goodwill. The formation of a positive reputation is a necessary condition for achieving long-term and sustainable development of the enterprise. Nowadays, business reputation is becoming an important means of strengthening the company's position, as it provides additional competitive advantages. And in conditions of fierce competition, with the participation of a large number of enterprises that have the same competitive advantages, the company will be able to stand out and in this way get higher profits than other firms, only thanks to its reputation. Thus, the determination of the business reputation of the enterprise as one of the objects of management is relevant in today's conditions.

As the goal of the Master's Qualification work was to determine the possible ways to improve the business reputation of PJSC "Kharkiv Biscuit Factory", we conducted a research and able to make next conclusions:

1. Main approaches to understanding the essence of business reputation in modern science were studied. It is possible to generalize that business reputation is a holistic view of the company as a market entity, which consists of the perception and evaluation of the results of its activities by all stakeholders and contact groups.

2. The impact of investment attractiveness of the company on increasing its reputation level was revealed. Results of systematization allow to reveal next main functions of business reputation in company's management are economic, information, communication, analytical, integrative, adaptive, motivational, anti-crisis, personnel, social.

3. In the framework of our study we identified the criteria for effective business reputation management, including:

- long-term preservation of a positive opinion about the company;

- growing difference between the market price of the enterprise and the value of assets;

- loyalty of employees and consumers;

- access to cheaper financial resources;

- recognition and frequency of information about the company and the results of its work in the mass media and on Internet resources;

- high official and unofficial ratings, including international.

4. At the next stage of our study, we considered the general organizational characteristics of PJSC "Kharkiv Biscuit Factory" and analyzed the results of the economic activity of PJSC "Kharkiv Biscuit Factory". Company is one of the leading confectionery factories in Ukraine. This is one of the main leaders of the Ukrainian confectionery industry. The company operates both on domestic and foreign markets.

The main strategic goals are a vector for profit maximization and a vector for increasing the level of social responsibility. The company is financially stable, its activities are aimed at expanding production, conquering new sales markets, and rational use of raw materials.

5. To conduct an analysis of competitive advantages in order to form a positive business reputation for PJSC "Kharkiv Biscuit Factory" we applied the SWOT and PEST analysis methods. And it allows identify the main factors restraining the company's development process, and based on their analysis, to propose a number of promising directions for improving the level of business reputation of the company being analyzed.

6. It is necessary to understand that combination of corporate social responsibility and innovative potential have a positive impact for the implementation of corporate social responsibility in enterprises of the confectionery industry in Ukraine on the level of their business reputation. The process of forming an effective innovation management system for PJSC "Kharkiv Biscuit Factory" depends on the level of its innovative potential - its capabilities in achieving the innovative goals that have been set.

7. The innovative potential of any enterprise, including PJSC "Kharkiv Biscuit Factory" is determined by both technical and managerial factors.

These factors include:

- the level of development of production that developed earlier;
- condition of the mechanism and control system;
- type and orientation of the organizational structure;
- economic and innovation policy trends;
- understanding of the need for change and staff readiness for it.

8. Our research reveals place of corporate image development for improving company's business reputation. Corporate image is the perception of a certain business by the general public; these are the visual, emotional, and conceptual impressions that the enterprise makes on the public.

Improving the corporate image of PJSC "Kharkiv Biscuit Factory" can be achieved through competent management of competitive advantages. In conditions where the structure of the market is constantly changing, it is necessary to develop a certain competitive strategy that allows an integrated approach to quality management and increasing the competitiveness of products.

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