

**PROBLEMS OF FORMING A STRATEGY FOR THE ECONOMIC DEVELOPMENT  
OF AN ENTERPRISE IN UKRAINE**

In the context of economic instability and constant structural changes in Ukraine, the formation of an effective economic development strategy for enterprises becomes much more difficult due to constant fluctuations, and thus is a determining factor for their survival and growth in the long term.

The development of such a strategy is complicated by macro- and microeconomic factors, with the main problems being an unstable regulatory environment, limited access to financial resources, insufficient incentives for innovation, imperfect business support infrastructure and lack of investment, physical risks, and risks associated with foreign economic activity.

In the current economic environment of Ukraine, businesses face legislative instability and a high regulatory burden when formulating their economic strategy: frequent changes create uncertainty that significantly complicates planning and calculating long-term investments. For example, changes in the tax burden affecting small and medium-sized businesses or changes in customs rules can significantly affect a company's financial results, which pushes managers to avoid risky decisions. This problem was reported by 6% of respondents in a survey conducted by the Institute for Economic Research and Policy Consulting. [4]

Thus, companies are forced to spend significant resources to comply with regulatory requirements, which reduces profits and investment in development.

Companies are also hampered by limited access to finance, as the lack of bank financing and venture capital financing is a serious obstacle to economic development. Domestic enterprises may often not have access to long-term loans or are forced to take out loans with high interest rates, which makes it difficult to finance strategic projects.

In addition, Ukrainian enterprises often lag behind in innovation development. A lack of resources, high risks, and weak government support hinder the adoption of new technologies and the transition to a digital economy. For example, Ukrainian agricultural companies have a high potential for using precision agriculture and biotechnology, but limited investment resources prevent large-scale adoption of these technologies.

In general, Ukraine's economy is highly dependent on foreign trade, i.e., exports of raw materials and low-value-added products, which makes it vulnerable to external economic fluctuations. In fact, both falling and rising prices for metallurgical and agricultural products and difficulties with their transportation can also significantly affect the financial performance of enterprises, limiting their ability to implement strategies focused on long-term development. This problem was reported by 16% of the IER respondents. [4]

Therefore, the adaptation of Ukrainian enterprises to the current market conditions requires a comprehensive approach to strategic planning focused on innovation, adaptability and expanding cooperation with international partners. This will strengthen their competitive position and increase their resilience to external challenges.

**References:**

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