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FEATURES OF FUNCTIONING AND DEVELOPMENT OF BUSINESS ALLIANCES IN ENTREPRENEURSHIP

A business alliance is a form of cooperation between a general contractor and subcontractors that either serves to "increase production volumes" or "combines the activities of several enterprises." Among scientists, there is an opinion that real business alliances are something like comprehensive contracts that have a specific goal. In our opinion, a business alliance is a combination of long-term development strategies of independent business structures, their coordinated activities aimed at the realization of common goals, where coordination is ensured through the coincidence of strategic interests of entrepreneurs.

Based on our definition, several characteristic features of business alliances can be identified. First, the presence of several management centers since the partner companies do not merge into a single strategic unit. This means that to decide on any issue of joint activity, the consent of all partners is necessary.

Secondly, relations within the alliance are built considering negotiations - dialogue. Thus, a situation of protracted negotiations may arise in business alliances, while in business structures that have either merged or joined, such a problem practically does not arise, since there is a single management center that independently makes management decisions. However, this feature of business alliances means that none of the partner companies in the alliance can force other companies to make any decision that could harm the other company.

Thirdly, the possibility of a conflict of interest. When entering a business alliance, the partner companies agree to work together to achieve predetermined

goals, but in addition to these goals, the companies have other interests that may come into conflict with the achievement of the set goals.

Ignoring these features of business alliances can lead either to a long-term stoppage of the alliance's activity, or to reaching such a compromise that will not be the most optimal solution. In some cases, a business structure acting independently can decide to start production much faster.

Other features of the alliance are its reversible nature and the uncertainty of the time of action. However, this does not at all characterize the business alliance as an unstable organizational form, since when joining the alliance, partner companies consider its features. Such features of a business alliance as uncertainty and turnover do not increase the riskiness of entrepreneurial business. For the effective functioning and development of business alliances in entrepreneurship, it is necessary to comprehensively investigate their organizational principles. Three main stages of the formation of a business alliance can be distinguished, each stage includes a certain sequence of stages of the formation of alliances:

I. Conceptual-analytical stage: environmental analysis; defining the concept of creating an alliance.

II. Organizational stage: research of partners; justification and clarification of the alliance concept; alliance formation.

Sh. Stage of functioning of business alliance: functioning of partnership; withdrawal from the alliance.

Literature

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