FACTORS OF FORMATION AND USE OF ENTREPRENEURSHIP POTENTIAL AT REGIONAL LEVEL

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In a market economy, the role and place of entrepreneurship are determined by its functions and a real contribution to social development. The interaction between the state and entrepreneurship interaction proves the profitability of such a relationship, demonstrates the need for government policy support and business development. Effective development of entrepreneurship creates a competitive environment for economic entities of various economic activities for which there are favorable conditions and resource potential, the interest of foreign and domestic investors. While the success of the business solves a number of important tasks contributes to the replenishment of budgets of different levels, saturation of consumer market with goods and services, creating new jobs, increasing the employment and reducing the unemployment rate[1]. An important outcome of entrepreneurial activity is the growth of income in both population and budget as a result of increasing the number of taxpayers and reduce the social burden on the state.

Given the importance of entrepreneurship to the economy of the country is extremely important to clarify the factors and conditions of forming and using the power of entrepreneurship that will further contribute to the study of scientific and practical recommendations to overcome objective and subjective obstacles to the development and identify areas for strengthening to ensure sustainable economic growth of the country and its regions

In scientific studies, scientists are quite commonly described factors influencing the development of the region and its economic potential given the individual constituent elements. In particular Butenko, A. I., among factors of influence on the entrepreneurial potential of the region, separates these types of factors: natural resources, financial, information, human, scientific, technical. Separately identifies the factors, as conditions for the realization of entrepreneurial potential, namely: the economic situation, the level of state support of business, regulatory, scientific and technical terms [2]. In his Mirgorodskaya A. P. parts on two groups of factors influencing entrepreneurial activity in the region: factors of microenvironment and macroenvironment factors, among which are: the political-legal, economic, socio-demographic, cultural and educational conditions, the level of development of science and technology, information environment [3].

Given the factors above, it is advisable to give a generalized approach to identify the factors influencing entrepreneurial activity, the main ones identified:
- the state of innovation, existence of research centres and technological cooperation in the business environment;
- level entrepreneurial opportunities in the form of having Oswin personnel, business infrastructure, levels of migration scientific and technical personnel;
- the availability of sources of financing through leasing, Bank lending, venture capital;
- the market situation that involves antitrust law, market competition, availability of state orders for the production of competitive products;
- regulatory support and regulatory framework including existing legislation, regulation of the procedures for starting and doing business, taxation, labour market and social protection;
- socio-cultural factors, particularly society’s perception of entrepreneurship, its risks, the level of education and the possibility of its use for the development of the business environment.

Therefore, the entrepreneurial potential of the region is formed under specific conditions of external and internal environment, under the influence of certain factors and reasons. In our opinion, the search for and study of the influence of external factors and internal laws of business should include two main directions: the study of external factors affecting the management of businesses and the study of the internal capabilities of business entities with consideration of internal relations and regularities of its functioning. The formation and use of the potential of regional development is one of the conditions for successful solution of social-economic problems, efficient use of locally available resources, using the potential of the internal market, intensification of the initiatives of entrepreneurship and the public, implementation of effective mechanisms and tools of stimulation of development of regions.

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