

## ECONOMICS AND MANAGEMENT

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The enterprise is the basic unit of the economy.

Enterprise economics is one of the most important and demanded areas of economic science and practice. It studies the most important processes:

1. Formation and utilization of production resources
2. Production and sale of goods or services
3. Receipt and distribution of income
4. Development and implementation of strategies for growth and development of enterprises of various forms of ownership, spheres and branches of activity

Enterprise economics provides an in-depth analysis of the impact of environmental factors, competitive processes, innovation, investment and other conditions on the performance and competitiveness of business entities.

In modern market conditions it is impossible to imagine the effective work of any enterprise without understanding and realization of economic processes. Enterprise economics is an integral part of the functioning of each firm, as it performs many tasks:

1. Market research and forecasting
2. Planning and realization of production activities
3. Management of financial flows
4. Organization of work and motivation of personnel

Knowledge of the basics of enterprise economics is necessary not only for narrowly specialized specialists, but also for everyone who strives for success and development in today's dynamic and complex business world.

Enterprise economics is based on the fundamental principles of economic theory: law of supply and demand; law of diminishing marginal utility; law of increasing costs [1, p. 104].

However, this area has its own characteristic features due to the fact that each company is an independent economic entity focused on meeting public needs and making profit.

Understanding the principles and mechanisms of enterprise economics allows to make informed management decisions, improve performance and increase competitiveness in the market.

An enterprise is a domain of entrepreneurial activity.

A company is an autonomous economic entity that produces or sells goods and services in accordance with the present legislation. Its main purpose is to serve the public good and make a profit.

The legal entity that is being referred to

An enterprise functions as an incorporated organization possessing the following qualities: separate property in ownership, economic management or operational management; liability for its obligations with its own property; the right to appear in court and arbitration on its own behalf; availability of an independent balance sheet, settlement and other bank accounts.

Production factors and optimization

In an enterprise, production factors (resources, labor) are combined with each other to ensure the production of products. Under conditions of limited resources, enterprises seek to optimize their activities based on the following economic objectives:

1. Outcome maximization: Achieve the highest possible output for a given amount of resources.
2. Minimize the result: Realize a given volume of output with minimal use of resources.
3. Outcome Optimization: Achieve an optimal balance between inputs and outputs.

Financial balance

For successful functioning, an enterprise must be in a state of financial equilibrium.

This means timely fulfillment of payment obligations to the budget, personnel and suppliers of material resources. Maintaining financial equilibrium is critical to the stability and long-term success of an enterprise.

The main characteristics common to all enterprises can be emphasized:

1. organizational unity: enterprises are organized groups with their own internal structure and order.
2. a plant is a production system of machines required to produce a specific product;
3. aggregation of certain resources: an enterprise combines resources to produce goods for profit.
4. an enterprise pools resources to produce goods for profit;
5. separate property: an enterprise has its own property. which it uses independently for certain purposes;
6. property liability: the company is liable for its debts with all of its property.
7. the economic turnover in its own name, has its own name:
8. liable for its debts with all its property
9. possesses operational, economic and financial independence: independently carries out transactions and operations [2, p.68].

Independent: independently carries out transactions and operations, makes profits or suffers losses; is independent: independently carries out transactions and operations, makes profits or suffers losses. It is independent in terms of its own name or suffers a loss;

An enterprise is an administrative and legal unit and a legal entity in all organizational and legal forms.

The entire production management system is based on planning methods. The production process includes a number of stages, process sequences and individual operations. In addition to production activities, there are a number of activities to support production, such as procurement and accounting. The end of one stage of work can be the starting point for the beginning of the next stage, and operations can be performed in parallel.

To ensure the efficiency of the production process, it is necessary to link all stages, to ensure the balance and sequence of work, and to prepare the necessary resources - raw materials, tools, equipment - in a timely manner. Without planning these aspects, it is impossible to ensure the efficiency of production. Planning is an integral part of the work of any enterprise, although the scope of planning activities may vary depending on its size and scale of activity. However, the principles of planning remain unchanged.

Even a market trader engages in planning, determining the volume, range and timing of goods, taking into account his financial and other capabilities.

Non-profit organizations, unlike commercial organizations, do not set profit extraction as the main goal of their activities and do not make the distribution of the received profit among the participants.

Commercial organizations may be established in the form of business partnerships and companies, business partnerships, production cooperatives, state and municipal unitary enterprises.

A consumer cooperative, or consumer society, is a voluntary association of citizens and legal entities who become its members and make property share contributions in order to meet their material and other needs.

Public and religious organizations, or associations, are also voluntary associations of citizens who unite on the basis of commonality of their interests to meet spiritual or other non-material needs.

Foundations are non-profit organizations that are established by citizens and/or legal entities on the basis of voluntary property contributions and pursue social, charitable, cultural, educational or other socially useful goals.

Institutions are non-profit organizations that are established by the owner for the purpose of performing managerial, socio-cultural or other functions of a non-profit nature.

The modern market economy is a complex mechanism of interaction between supply and demand, and ultimately between producers and buyers. It consists of a large number of various production, financial, commercial and information structures interacting within the framework of the legal legislation adopted in the country.

### References

1. McConnell K.R. Economics: Principles, Problems and Politics / Moscow: INFRA-M. 2011. – p. 104.
2. Morten L. Bech, Bart Hobijn, Federal Reserve Bank of New York. Staff Report No 260. «Technology Diffusion within Central Banking: The Case of Real-Time Gross Settlement», September 2006.
3. About supporting the economy [Electronic resource]. – Access mode: [http://president.gov.by/ru/official\\_documents\\_ru/view/ukaz-143-ot-24-aprelja-2020-g-23485/](http://president.gov.by/ru/official_documents_ru/view/ukaz-143-ot-24-aprelja-2020-g-23485/). Access date: 18.03.2024.