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THE ESSENTIAL CHARACTERISTIC OF ECONOMIC GROWTH OF THE ENTERPRISE

The article analyses the main problems of economic growth of an enterprise. The factors of production increase, improvement of engineering and technologies are determined. The role of the state in the economic growth of the state is considered.

Economic growth is a market category whose theoretical foundations are reflected in the work of many scholars. The most generalized scientific definition of the concept of “economic growth” is given by Campbell R. McConnell and Stanley L. Brue in the monograph “Economics”. They interpret economic growth as an increase in either real output or real output per capita. At the same time, these authors determine economic growth as an increase in production capacity as a result of an increase in the number of production factors used or the improvement of engineering and technology.

Summarizing the concept of economic growth, we can conclude that the factors of economic growth – labour, capital, and technological process (or the process of globalization of technological development) – “affect” enterprises representing the microenvironment. Here the organic connection between the macro and micro environment enters into force, which ultimately determines the possibility of economic growth at the state and enterprise levels.

The state can play a significant role in economic growth with proper tax policy and investment policy. Objectively, it is necessary to change the type of economic growth and to shift the national economy to the path of intensive development.

With an intensive type of growth, the main thing is to increase production efficiency, increase the returns on the use of all factors of production, although the amount of labour employed, the capital may remain unchanged. The main thing here is to improve the technology of production, improve the quality of the main factors of production. The most important factor in intensive economic growth is the increase in labour productivity. This indicator can be represented in the form of the ratio of the product created in physical or monetary terms to the labour cost (man-hour).

An intensive type of economic growth is characterized by an increase in the scale of production, based on the widespread use of more efficient and qualitatively made factors of production. The growth of scale of production is ensured by the use of advanced technologies, scientific achievements, more economic resources, and the improvement of workers’ skills. At the expense of these factors, an increase in product quality, productivity growth, and resource conservation is achieved.