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## Corporate Management of the Strategic Development of Competitive Advantages in the Economy of Industrial Enterprises

**Abstract**

The article is devoted to the study of the context of corporate management of the strategic development of competitive advantages in the economy of business entities in the industrial sector of Ukraine. The authors examine the concept of corporate management from the perspective of the functioning of enterprises and companies within the global economic environment. The paper proposes the authors' definitions of the concepts of "corporate management" and "competitive advantages" within the economic system of a modern enterprise. The necessity of corporate management in the context of the strategic development of competitive advantages is substantiated as a tool for responding to the influences of the competitive environment. The study investigates key problems of corporate management in the strategic development of competitive advantages in the electrical cable industry sector. Directions for addressing the problems of corporate management of competitive advantages of enterprises in the electrical cable business sector in Ukraine are proposed. The necessity of forming a flexible portfolio of competitive advantages is substantiated as an effective lever for strategizing corporate management. Since industry has always been and remains a priority sector of the Ukrainian economy, industrial development represents one of the key directions of the country's economic strategy. Current trends in corporate management of the strategic development of industrial enterprises are aimed at identifying competitive opportunities of market participants and forming a set of competitive advantages to ensure their further successful functioning. The inherently high level of emergence in the economic environment increases the importance of forming a flexible strategic portfolio of competitive advantages within an enterprise/company. An effective portfolio of competitive advantages of a business entity becomes a prerequisite for enhancing its competitiveness, ensuring flexible strategic development, enabling adequate response to emergent changes, and successfully maneuvering in a competitive environment.

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**1 Introduction**

Under conditions of a high frequency of emergent influences from the economic and market environment, economic instability, and consequently an elevated level of competitive pressure, the key objective of a business entity becomes its survival and strengthening of competitive positions through the strategic management of competitive advantages. Therefore, corporate management of the strategic development of an enterprise implies the implementation of a comprehensive approach to forming a portfolio of

**Keywords**

corporate management, competitive advantages, strategic development, strategic management, activity strategizing, successful development, emergent influence, enterprise and company economics

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competitive advantages along the vertical dimension of internal management and the horizontal dimension of assessing external influences.

A successfully formed portfolio of competitive advantages enables a company to develop both adequate current and alternative development strategies, thereby creating a strong foundation for further market maneuvering within a unified strategic direction, with the ability to adjust strategic trends in response to external influences.

Corporate management of strategic opportunities through competitive advantages significantly expands

the range of internal strategic resources within the enterprise economy. In turn, corporate management of the strategic development of competitive advantages becomes a necessary element of enterprise functioning, enabling the coordination of activities across various business domains and functional areas, the mobilization of resources, and their timely allocation toward the effective resolution of existing problems.

## 2 Analysis of Recent Research and Publications

The experience of corporate management aimed at enhancing the competitiveness of large industrial business entities at the level of strategic development of domestic industrial structures indicates a lack of methodological foundations and mechanisms for the formation of a portfolio of competitive advantages within the economies of enterprises and companies. Moreover, the ambiguity of the country's economic development trends during the period of military aggression, as well as the emergence-driven nature of the market under wartime conditions, hinder the application of effective approaches to the formation of a successful competitive strategy. Consequently, corporate actors in the sphere of large industrial business develop their own methodologies and mechanisms for determining and forming a portfolio of competitive advantages in order to strengthen competitive potential and improve the efficiency of enterprise/company economics.

Scientific studies on the corporate management of competitive advantages have been carried out in the works of such Ukrainian scholars as: Valinkevych N.V. (Valinkevych, Kotsenko, 2025), Dumanska K.S. (Dumanska, 2020; Dumanska, Prokofiev, 2024; Dumanska, Shevchuk, Shpak, 2025), Diakun A.M. (Diakun, 2025), Diachekno T.A. (Diachenko, 2012), Yevtushekno N.O. (Yevtushenko, Drokina, Savenko, 2020), Kovtunenکو K.V. (Kovtunenکو, Didan, Kovalchuk, 2021), Petryniak U.Y. (Petryniak, Ivakhiv, 2024), Turianytsia V.V. (Turianytsia, 2022), Tsvok D.R. (Tsvok, Yavorska, 2017), Shevchenko L.S. (Shevchenko, 2022), as well as numerous foreign scholars, the most prominent of whom include: Dzhonstoun A. (Johnston, 2010), Porter M. (Porter, 1985; Porter, 1986; Porter, 1996), Shleifer A. (Shleifer, Vishny, 1997).

In the studies of the aforementioned scholars, as well as many other researchers, insufficient attention has been paid to improving corporate management of the strategic development of competitive advantages of industrial enterprises, identifying existing problems, and searching for solutions in the direction of strategizing the competitiveness of enterprise economics.

## 3 Formulation of the Research Objective

The purpose of the study is to examine the aspects of corporate management of the strategic development of a set of competitive advantages in the economy of industrial enterprises in Ukraine.

The article formulates theoretical and practical proposals for optimizing the corporate management of the competitiveness of enterprises and companies through ensuring the strategic development of their competitive advantages.

## 4 Presentation of the Main Research Material

The management of competitive advantages becomes a driving force behind the successful strategic development of enterprises and companies, their profitability, and the strengthening of their competitive position, since market competitiveness depends on the uniqueness of decision-making sets and responses to emergent environmental influences. As the authors have noted in their previous works, the foundation of a successful strategy and competitive position of a corporate business entity is a portfolio of competitive advantages that simultaneously contains mechanisms for overcoming the influence of competitors and opportunities for transforming them into partners, as well as effective methodologies for successful development and market diversification. (Dumanska, Shevchuk, Shpak, 2025).

Particular attention should be paid to the study of the issues of corporate management of strategic development trends of enterprises operating in the electrical cable manufacturing sector in the process of forming competitive advantages. Today, the production of a wide range of cable products, transformers, transformer substations, and generators (both portable and large-scale) constitutes one of the strategic segments of industry in Ukraine, as it ensures the functioning of critically important infrastructure sectors and segments of the defense industry.

Corporate management processes represent a set of measures aimed at forming a system for managing competitive advantages within the context of the development strategy of a business entity. In turn, competitive advantages serve as instruments for achieving profitable operations under conditions of an emergent environment, where an enterprise or company possesses mechanisms within its development strategy for obtaining maximum benefits from changes in market and economic conditions. One of such instruments is a favorable competitive position. Therefore, scholars and practitioners in the field of corporate management pay particular attention to the study of the competitive position and competitive advantages of an enterprise/company, since they constitute the

foundation of an effective strategic model within the market environment.

Today, global management practice more frequently applies the concept of “corporate management” formulated by the World Economic Development Forum, according to which corporate management is viewed as an instrument for studying the structure and processes of company management and control over its activities (Cadbury Report, 1992). (Johnston, 2010). Thus, the presented approach to understanding the concept of top management encompasses relationships among company managers, the board of directors (supervisory board), holders of preferred shares, minority shareholders, and organizational partners. The perspective of the American scholar in corporate management, Andrei Shleifer, who considers corporate management as “a way of examining how those who provide financial resources to corporations secure returns on their investments” (Shleifer, Vishny, 1997), also emphasizes the authors’ interpretation of corporate management, which includes a broad view of establishing rules for conducting the economic activities of enterprises and companies and implementing them within the framework of a strategic development direction.

Within the framework of this study, one of the authors proposes defining corporate management as a strategic aspect of systematizing the processes of structuring, organizing, and planning the overall development of a company, as well as the diversification of self-sufficient and competitive strategic business units aimed at expanding and deepening the company’s activities into new markets or their segments under conditions favorable to the company (Dumanska, 2020).

The study of scholarly approaches to defining the concept of “competitive advantages” leads to the conclusion that there is no single universal approach to understanding the competitive advantages of market entities. Therefore, among the variety of scientific views on the issue of this concept, the authors of the article have selected several definitions that most comprehensively reveal the essence of competitive advantages. For example, Tetiana Diachenko considers competitive advantages as “the ability of an enterprise to effectively use its own resources and influence the competitive environment” (Diachenko, 2012), whereas D. R. Tsvok defines competitive advantages as a lever of efficiency of operational processes and the ability to achieve economies of scale in the enterprise economy (Tsvok, Yavorska, 2017). In turn, Nataliia Valinkevych views competitive advantages as characteristics of a product, good, trademark, or enterprise/company that distinctly differentiate them from competitors and possess value for consumers (Valinkevych, Kotsenko, 2025). Michael E. Porter’s Five Forces Model (Porter, 1986) can also be considered a concept of corporate management of the strategic development of

competitive advantages, providing a mechanism for analyzing the competitive environment through identifying corporate opportunities and threats and selecting ways to address them.

The proposed authorial definition considers competitive advantages as “a lever for creating unique opportunities to overcome competitors, enabling the winner to achieve market leadership (or leadership within a market segment) in the form of increasing profits, brand and production capacity diversification, expanding the customer base and the scope of resource utilization through the development of an effective corporate management system within the context of a successful development strategy”.

It should be noted that, within the context of an enterprise/company development strategy, competitive advantages may have either a stable or temporary structure, depending on the company’s ability to adapt to conditions of an emergent environment. To form an effective portfolio of competitive advantages, a systems approach is required in order to develop a set of measures for assessing the competitive potential and competitiveness indicators of the studied entity or market segment, with the aim of further establishing a system for managing competitive advantages. Thus, the creation of competitive advantages involves a set of measures that includes the strategic planning of the enterprise’s future activities. Consequently, a systems approach requires continuous investment in technological innovations that can improve production processes, increase efficiency, and reduce costs within the enterprise economy or corporate activity as a whole.

The authors of the article have conducted a study of the key problems of corporate management of the strategic development of competitive advantages in industry, in particular in the electrical cable industry sector in Ukraine, since this area of industrial production is a strategically essential component of infrastructure in both wartime and post-war conditions.

In view of the conducted research, among the main problems of corporate management of competitive advantages of business entities in the electrical cable industry sector in Ukraine, the following should be highlighted:

- a rigid corporate management structure that slows down the decision-making process;
- weakness of corporate policy in the process of change management;
- insufficient delegation of authority within the corporate management structure;
- lack of managerial autonomy in overseeing structural divisions and expenditures;
- an insufficient level of organizational budget planning;
- a weak policy for promoting products in new sales markets;

- a low level of automation of production and product distribution processes;
- an insufficient level of personnel training and professional development.

The solution to the aforementioned problems of corporate management of the strategic development of competitive advantages in industry is represented by the strategic directions for managing the competitive advantages of enterprises in the electrical cable business sector in Ukraine proposed in Table 1. Within the context of the presented strategic directions for managing competitive advantages, particular attention should be paid to their nature, as these directions form a system of strategic decisions in corporate management. This system represents an established corporate strategy for managing the competitive advantages of the strategic development of a business entity under conditions of economic change and emergent influences.

As can be observed, the problems of corporate management within one of the most significant industrial sectors in Ukraine, namely the electrical cable manufacturing industry, lie precisely in the need to ensure the strategic development of competitive advantages within the enterprise economy. Despite the high demand for electrical cable products, the high level of production costs reduces the ability of enterprises to compete successfully with other industrial sectors.

The analysis of the research results on the problems of corporate management of the competitiveness of business entities' economies and their solutions through the formation of strategic directions for managing competitive advantages demonstrates the necessity of strategizing corporate management in the industrial sector. As can be seen, market entities in the electrical cable manufacturing sector possess

significant potential for improving both corporate management and competitive advantage strategies, as they currently benefit from a strong competitive advantage in the form of high demand from target consumers for their products. The organization of military and civilian infrastructure requires the production of cables, transformers, and generators in large volumes, which ensures stable demand for these products among business representatives and military organizations. The prospects for corporate management and strategic development lie in the implementation of a more flexible organizational structure, improved financial management through targeted budgeting, more active use of effective marketing tools for product promotion and advertising, and increased production automation. It is also important to develop personnel training systems, motivate employees through a fair remuneration system, and optimize the workforce size in accordance with production workload. The comprehensive implementation of the strategic directions for improving corporate management of competitive advantages of business entities in the electrical cable manufacturing sector proposed by the authors will contribute to the optimization of the use of competitive advantages in the market both today and in the strategic perspective.

## 5 Conclusions

The study of corporate management processes for the strategic development of competitive advantages of business entities in the industrial sector of Ukraine confirms the urgent need to strategize managerial activities aimed at accumulating competitive capabilities within enterprise/company economics.

TABLE 1 Problems of Corporate Management of Competitive Advantages of Enterprises in the Electrical Cable Business Sector in Ukraine and Their Solutions

Aspect	Problem	Strategic Directions for Managing Competitive Advantages
Organizational structure	Predominantly linear and line-functional corporate management structures that slow down the decision-making process.	Strengthening horizontal intra-firm linkages and transitioning to an adaptive corporate structure.
Corporate management	Weakness of corporate change management policy.	Development of a strategy for adaptation to market changes and the formation of a portfolio of emergent responses to environmental challenges.
Financial management	Inability to reduce production costs due to the specifics of technological processes.	Application of levers of regular financial analysis and implementation of a strategy for increasing marginal profit.
Sales management	Orientation toward a target customer, limited distribution channels.	Development of an adaptive marketing strategy through the implementation of CRM systems in the process of product promotion to the market.
Production	High production cost intensity.	Upgrading technologies for the production of cable and transformer products, increasing the level of automation and robotization of production.
Human resource management	Insufficient level of staff training and professional development.	Establishing flexible professional development systems abroad, alongside the implementation of a technological modernization strategy for production.

Source: compiled by the authors

The formation of a flexible portfolio of competitive advantages ensures the availability of alternative options for successful strategic development under conditions of emergent changes and challenges in the economic and global environment. Corporate structures and enterprises in the electrical cable manufacturing sector are not currently exposed to high strategic risks due to the strong demand for cable and transformer products during wartime conditions, including missile strikes and the resulting continuous need for the restoration of power transmission lines and internal electrical systems in residential and non-residential buildings. However, a diversified portfolio

of competitive advantages provides manufacturers of electrical products with prospects for successful strategic development in the form of increasing production volumes of core products, manufacturing transformer components and military-industrial parts, producing related goods, and ultimately entering foreign markets. Therefore, corporate management of manufacturers' competitive advantages should involve the formation of a broad range of strategic directions for their application in order to further diversify production and optimize the economic performance of enterprises and companies in the electrical cable industry.

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