

METHODOLOGICAL ASPECTS OF BUSINESS MODELING

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In the practice of managing both companies as a whole and key areas of activity, business modeling is widely used, based on the formation and improvement of relevant business models. This is especially relevant for managing the innovative development of companies. The theses set out approaches to building a business model for the innovative development of companies.

Key words: business modelling, methodology, innovative development.

Currently, the use of business models for the overall management of companies and individual areas of activity is actively expanding. Business modeling is a process of developing and implementing models that include strategies, processes, management structures, resources in order to streamline and optimize the company's activities. A business model can be understood as a method of sustainable business conduct, as well as a set of ways to manage a company's structure, product, pricing, marketing policy, general business approaches that underlie the company's strategy, as well as the criteria for determining Key Performance Indicators (KPI). The model should take into account the infrastructure needed to bring the product to market in a way that is both convenient and easy for the consumer, while meeting the condition of profitability. It can also be noted that a business model is a formalized description in the form of a graph, table, function or program, the direction of the company's activities, including the achievement of strategic goals and indicators, modeling business processes and the behavior of process participants [1].

This approach to understanding business models is applicable to almost all models. The key features of the business model can be identified: the value for consumers and stakeholders that the company offers based on its products; a system for creating this value that includes suppliers and target customers, as well as value chains; assets that the company uses to create value; the financial model of the company, which determines both the cost structure and the ways to make a profit.

The business model is built from a variety of components that include overall strategy, production planning, communications, distribution, finance, current operations, competitive strategies, marketing and sustainable growth strategies [2]. We can say that the business model describes how the company positions itself in the value chain within its industry and how management intends to create profit.

Summarizing, we can assume that the business model is a formalized description of the principles, methods of processes, resources and value creation for consumers. The effectiveness of the business model is ensured by its compliance with the external and internal capabilities of the company, their compliance with the strategic development goals and the consistency of all components of the existing tasks. Accordingly, the following stages of developing an effective business model and the main tasks within its construction can be distinguished:

1. Analysis of the business model of a particular industry in which the company operates;
2. Analysis of the existing business model of the company;
3. Main indicators of the company's development strategy
4. Selection and justification of a new business model
5. Concretization of the parameters of the new business model.

It is not enough to represent the business model simply as a specific system that includes only the company's business processes. In fact, the business model is based on the company's business goals, which by and large completely determine the composition of all its basic components, which include:

- business functions that describe what the business does;

- business processes that describe how the company performs its business functions;

- an algorithm that determines when, where and how business functions and business processes are executed;

- roles that define who executes business processes; rules that define the relationship between what, how, where, when and who.

Nevertheless, the description of business processes, as the most time-consuming and error-prone task, needs a specific methodological platform. There is a well-established list of attributes that the business model should visually display processes:

- impacts that initiate each stage of the business process

- executors of each stage and impact, regulating the planned actions

- the expected result from each stage of the business process execution.

There are four main ways to develop business models. Depending on the level of efficiency in the formation and use of business models, the most effective is the software combination of graphics, tables and text; a little less effective is the decision tree, flowcharts, technological maps. One of the most common ways to build business models is a hierarchical list or tree, which allows you to list the included elements of a business model, and show the relationships between them, indicating the parameters of each element.

A table is also a common way to build business models, which allows you to list all the elements of a business model with detailed characteristics. The most famous example is the responsibility distribution matrix. Perhaps the least effective way to build business models is textual description. It is very problematic to formalize complex business models and trace the relationships between their elements in the text.

The best option is a combination of three ways to develop business models (graphics, tables, text), which is implemented in almost all professional business modeling products.

If the set of business models covers most of the main areas of activity and management systems in the company, then such a set can be called a complex business model of the company. An integrated business model of a company may contain typical successful practices and solutions, standard models, documents and regulations on the main areas of management and business engineering.

Building an integrated business model can significantly reduce the time financial and labor costs for the implementation of formalization and optimization of organizational development; activities of the company and other projects to quickly and efficiently design new products and business processes to introduce successful practices implemented in the industry into the company's activities.

Also, complex modeling allows you to improve the quality of service, the efficiency and quality of management decisions made: to connect the strategy with all elements and management systems in the company, to free managers' time from performing routine operations, to make timely and correct management decisions.

A complex typical business model of a company is an effective information and methodological tool for formalizing and improving the company's activities. It is applicable both for companies that start from the beginning with the description of business processes and the formalization of activities, and for companies that continue to update and improve already described business processes and other elements of activity.

The business model of the company contains successful practices and solutions, models, documents, regulations in the main areas of management and business engineering at the enterprise: strategy, business processes, organizational structure and personnel, products, quality, regulation and workflow, system architecture.

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