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FEATURES OF THE GE/MCKINSEY MODEL APPLICATION FOR ASSESSING THE COMPETITIVE POSITIONS AS A FACTOR OF SECURITY OF INSURANCE ENTERPRISES

Summary. *The essential difference of the proposed model is a number of its properties compared to other models. The modern planning methodology recognizes the positive possibility of a phased adjustment of the strategic plan depending on changes in the market situation and internal capabilities of the enterprise, which increases the importance of the strategic planning process as a vector for innovation development. The reputation of an enterprise can be assessed as an integral indicator of the competitiveness of insurance companies' services, which includes: cooperation with competitors (ability to develop potential in the network of partners, and cooperate with competitors in the market, technical equipment, flexibility in work) and cooperation with clients (culture of service, speed of settlements) Therefore, first of all, it is necessary to identify the quality of services and reputation of the insurance company, and then - to build a matrix of the ways of enterprise development.*

Key words: *model GE/MCKINSEY, economic security, innovative development.*

Statement of the problem. The author's research shows that there are different approaches to assessing innovation potential based on the assessment

of its structural components (organizational, infrastructure, scientific and technical, financial, personnel, etc.). However, such an approach does not sufficiently take into account the specifics of the innovation system existing at the enterprise. In particular, the concept of "susceptibility" is used to determine the factors reflecting the company's ability to innovate and its degree of readiness to develop innovative projects, and to determine factors that reflect the degree of maturity of enterprise structures to the introduction of innovations "realizability" is used. In turn, each of these properties of innovation potential is provided in the form of weighted average indicators that characterize the organizational, scientific and technical, personnel and financial factors.

Analysis of recent researches and publications. The problem of providing the economic security of the insurance company is still the subject of sharp scientific discussions, which indicates the complexity of this concept and the ambiguity of interpretation. The work of well-known foreign experts is devoted to providing the economic security of the insurance company in the sphere of the insurance industry: Rejda, G. E., Ocampo, J. A., Pearson, R., & Elson, D., Flannery, M. J., Wan, M.

Formulation purposes of article (problem). The purpose of the article is to improve the methodology for evaluating competitive positions based on the use of the model GE/McKinsey.

The main material. In this regard, there is a need to build a different model for strategy formation, for example, the General Electric - McKinsey matrix (matrix of market attractiveness).

For the first time, the model "market attractiveness - competitiveness" appeared in the 1970s and was offered by General Electric (GE) and the consulting company McKinsey & Co, which was named "GE / McKinsey Model". Until 1980, the model "attractiveness - competitiveness" was the most popular multi-factor model for analyzing strategic business positions. The main

feature of the McKinsey model is: the use of weighting factors in constructing a model and accounting trends in the industry.

In practice, the GE / McKinsey matrix allows you to answer the following questions [1-3]: which business areas should be developed by the company, in which direction the company will sustain losses in the long run, which goods need to be competitive, which products are a priority in promoting and development, how to best distribute resources within the company between departments, in which directions one should reduce the use of company resources due to their unattractiveness.

Consider using the formation of competitive strategies for insurance companies, in particular, the Insurance Company "Knyazha", in justifying the choice of development paths to ensure economic security.

According to the matrix of the ways of enterprise development, taking into account the content components of competitive positions (Table 1), we obtain the optimal way of development of IC "Knyazha".

Table 1

GE/McKinsey model for IC «Knyazha»

Product name	Sales	Competitiveness of services	The attractiveness of the market
transport insurance	91	4	4
medical expenses insurance	46	3	3
liability insurance	33	2	3
property insurance	23	3	2
cargo insurance	77	3	3
accident insurance	25	2	2
insurance abroad	11	2	2
accumulative life insurance	9	2	2
financial insurance	15	1	2
other types of insurance	32	2	2

Source: calculated by the author

We construct the GE/McKinsey model for the Telecommunication Company IC "Knyazha" for the same products as the BCG matrix (Table 2).

Table 2

GE/McKinsey matrix for IC «Knyazha»

The attractiveness of the market				
	High (4-5 points)	-	-	transport insurance
	Average (3 points)	liability insurance	medical expenses insurance; cargo insurance	-
	Low (0-2 points)	accident insurance; insurance abroad; accumulative life insurance; financial insurance; other types of insurance	property insurance	-
		Low (0-2 points)	Average (3 points)	High (4-5 points)
		Competitiveness of services		

Source: constructed by the author

According to the results of the GE / McKinsey model and the BCG model for IC "Knyaza", products that affect competitiveness are most appealing: transport insurance - product 1; medical expenses insurance - product 2; cargo insurance - product 5.

But the most interesting for the company are the markets with low competition (low active players, the market is not saturated and not divided), as well as segments in which competitors are not able to quickly formulate appropriate measures and in which the entry barriers are insignificant, financial insurance (product 9).

The integral indicator of the competitiveness of insurance enterprises is determined by the formula:

$$Ics = \sum_{i=1}^{n}\left(\left(\sum_{j=1}^{m}\chi_{Fcsj}^{\text{екcn}} \times Fcsj\right)\times di\right) \quad (1)$$

where: I_{cs} – integral indicator of enterprise competitiveness, %; $\chi_{Fcsj}^{\text{екcn}}$ – expert assessment of the importance of the factors of competitiveness of

services, %; *Fcsj* – factors of service competitiveness; di – share of services in the business of the company, %;

i – type of insurance service; *j* – the factor of competitiveness of services; *n* – number of enterprise services, m – number of factors.

The GE/McKinsey model is selected on the basis of the competitiveness of services (Table 2), the integral indicator of the competitiveness of services of IC "Knyazha" is in the range of average values. This approach takes into account the specifics of the insurance sector and allows us to determine the level of competitiveness of services, in particular when substantiating the expediency of its companies entering other markets.

Insights from this study and perspectives for further research in this direction. The results of the analysis indicate a significant competitive struggle and a change in the competitive position by changing the quality of the services provided, which in turn led to a change in the proportion of services. The quality of the service provided by the enterprise can also be assessed by means of an integrated indicator of service competitiveness, which includes: the quality of the main and additional services, the consumer novelty of the service, the ability of the team to create a unique portfolio of competencies, etc. It should be noted that the introduction of innovative directions of development, on the one hand, gives the company a number of advantages: accelerates the development of the organization, provides competitive advantages, determines the position on the market, promotes leadership, creates the basis of the image [4-5]. On the other hand, a number of problems arise: the uncertainty of the final results of innovation activity, its terms, costs, quality and efficiency (which increases the investment risk of projects), the need for restructuring of the organization (which also increases the risks of entrepreneurial activity in general) [6-7].

Consequently, the innovative development of the enterprise should be through the search for internal resources, therefore, when developing the ways

of development, special attention should be paid to the economic diagnosis of innovation potential. The scale, quality of the results of scientific researches and scientific and technical developments, the terms of their implementation, and, hence, the possibility of the innovation innovation of the enterprise, depend on its condition.

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