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DIGITAL PERFORMANCE IN BUSINESS AND ECONOMICS

Globalization and technological progress are making the old multinational structure obsolete. A multinational firm that simply links together a collection of national businesses under a global umbrella has become anachronistic. In its place, large international corporations are creating globally integrated organizations that can locate functions anywhere in the world to take advantage of low costs, availability of skills or access to natural resources. Advances in business analytics and information technology also make it possible to monitor performance and market developments more closely than in the past [1].

With the beginning of the pandemic, when everyone went online en masse and switched their employees to remote mode, the Internet was a very relevant joke. It was a question about who is leading the digital transformation in your company and three possible answers:

- a) the general director;
- b) director of digital transformation;
- c) Covid-19.

Indeed, this virus forced the company to make such revolutionary digital changes in a month, which in the pre-quarantine period would take several years at a calm evolutionary pace. Everyone quickly realized that the process of digital transformation is not «nice to have», but «the must».

The results of our research on the practice of domestic companies, the introduction of elements of digitization made it possible to outline a kind of algorithm - Fig. 1.

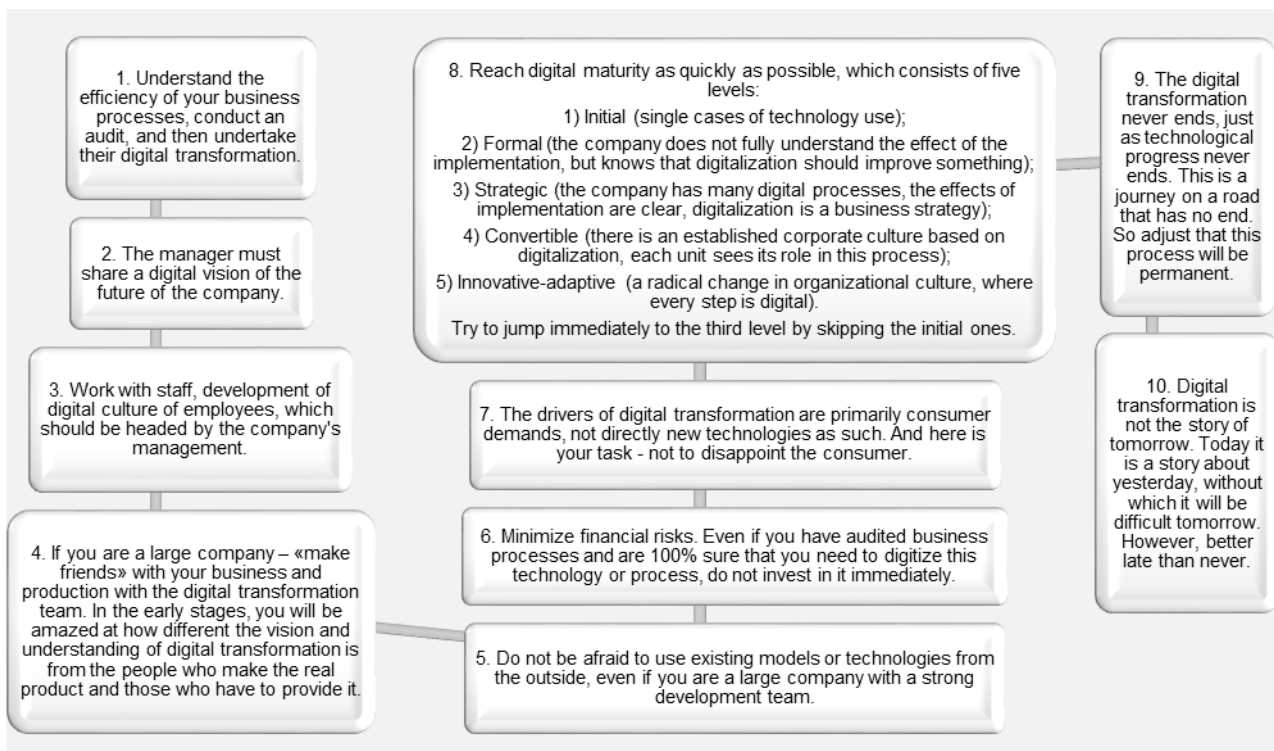


Figure 1. The path to digital transformation

Source: own development

Don't marry technology thoughtlessly just because it's fashionable now. Do not spend money and

resources on digitization of suboptimal processes. Remember, business efficiency is at the heart of everything. Therefore, first focus on your business strategy, and only then on the technologies that will help in its implementation.

Move in stages, step by step. First, prove the viability of the concept (Proof of concept), then proceed to the stage of creating a product with the minimum functionality that can be given to users for use (Minimum viable product) and only then make the final release and replication of the product [2].

We analyzed the main indicators of the use of information and communication technologies by Ukrainian enterprises in 2018-2019, on the basis of which we can draw conclusions about the significant growth of both quantitative and qualitative parameters of digital transformations in the country - table 1.

Table 1 - Use of information and communication technologies by Ukrainian enterprises in 2018-2019

Name of the indicator	2018	2019	Rate of change, %
1. Number of enterprises that purchased cloud computing services:			
units	4831	5207	107.8
% of the total number of enterprises	9.8	10.3	+0.5
2. By types of cloud computing services of these, units:			
Email	2548	2972	116.6
office software	2125	2445	115.1
enterprise database hosting	1664	2042	122.7
file storage service	1788	2139	119.6
financial or accounting applications	2585	3010	116.4
customer relationship management programs	1223	1453	118.8
computer power for the operation of enterprise software	1501	1761	117.3
3. Number of enterprises that purchased goods or services via the Internet (except for orders sent by e-mail)	9583	10169	106.1
4. Volume of sold products (goods, services) received from trade through websites or applications (applications), UAH million	228035.6	292731.9	128.4

Source: formed according to data [3]

According to Table 1, the number of enterprises that bought cloud computing services increased by 7.8%, with the largest increase in the use of hosting databases of enterprises - by 22.7%.

The volume of sold products (goods, services) received from trade through websites or applications (applications) increased during the analyzed period by 28.4%, or by UAH 64,696 million, and this indicates a significant increase in this indicator.

The number of enterprises in which the analysis of "big data" was carried out on their own, decreased from 5256 units in 2018 to 5146 units in 2019, their share in the total number of enterprises decreased slightly, from 10.7 to 10.2%, respectively.

These data, as well as the results of other studies allow us to say about the positive significant changes in the field of digitalization of Ukrainian businesses. And the general situation in the global dimension will only accelerate these processes, give them more strength and focus, put in the first place in terms of relevance and importance in the management system of each large or medium-sized company.

According to the Digital Economy Report, the volume of global traffic based on Internet Protocol (IP), which gives a rough idea of the scale of data flows, has grown from about 100 gigabytes (GB) per second per day in 1992 up to 46,000 GB/s in 2017. And this despite the fact that the data-based economy is only at an early stage of development. According to forecasts by 2022 the amount of global IP traffic will reach 150,700 GB/s as a result of the emergence of more and more new users on the Internet and the expansion of the Internet of Things [4, 15].

The weakest point in the digitalization of Ukraine's economy is the absence large IT companies of Ukrainian origin. Almost all major Ukrainian companies in this industry operate in the domestic market.

One of the serious problems, along with the underdevelopment of digital infrastructure, cybersecurity, the required amount of investment, is the shortage of qualified personnel.

Thus, an important feature of today is the rapid widening of the digital divide, which threatens to increasingly lag behind developing countries. And this primarily concerns Ukraine. For any country, the manufacturing sector and maintaining its own technological level is a strategically important national task for the development of the economy, services and ensuring the growth of income and national welfare.

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