

UDC 368.338:336
JEL: G 22, M 10, C18

**ECONOMIC BASIS OF PROVIDING OF
COMPETITIVENESS OF INSURANCE COMPANY:
METHODICAL AND PRACTICAL ASPECTS**

Liudmyla Prystupa

Candidate of Economic Science,
Associate Professor,
Khmelnyskyi National University,
Khmelnyskyi, Ukraine
E-mail: PrystupaLA@gmail.com
orcid.org/0000-0002-5088-0654

Introduction. The management of economic base ingredients is sent to forming, development and realization of competitive edges and providing of high level of competitiveness of insurance company, that in a result will assist not only the increase of client base of insurers, development insurance to the sector but also bringing in of additional investment resources in a home economy.

A necessity of providing of high level of competitiveness of domestic insurance companies is in the conditions of active євроінтеграції with the use of economic instruments, and also the presence of insufficiently known and debatable questions stipulates actuality of realization of further researches.

Aim and tasks. The aim of the article is research of methodical and practical aspects of economic base of providing of competitiveness of insurance company and ground of directions of improvement of administrative activity in this sphere.

Research results. In the article methodical and practical aspects of economic base of providing of competitiveness of insurance company are investigational in a modern market environment. The attention was paid to the study of methodological aspects of evaluation of the level of competitiveness and competitive position of the insurer. Conducted evaluation of indexes of competitiveness from data of IC "Alfa-Garant", allowed to learn the state, dynamics and to define the key measures of increase of level of competitiveness of insurance company.

On the basis of generalization of results of research of the methodical and practical aspects of economic base of providing of competitiveness of insurance company strategic, operating, financial, investment, innovative and analytical dominants, the totality of that could form a target for the formation of perspective plans of development, control of current situation, implementation of existent obligations.

Conclusions. Providing of competitiveness of insurance company is possible on condition of system administrative work from a search and optimization of ways of her development. An important role in this process is fixed to analytical work, methods and the receptions of that are various enough, at the same time compatible and not always answer the features of activity of insurance organization that requires the improvement of methodical principles of analytical evaluation of competitiveness of insurance company. Basis of economic base of providing of competitiveness of insurance company are financial resources, the base aspects of management are conditioned that by the normatively-legal base of conduct of insurance business.

Key words: insurance company, competitiveness, economic base, administrative activity, methods of estimation, indexes, financial reliability, risks, dominants.

Received: March, 2018

Accepted: May, 2018

DOI: 10.31520/2616-7107/2018.2.2-1

УДК 368.338:336
JEL: G 22, M 10, C18

ЕКОНОМІЧНИЙ БАЗИС ЗАБЕЗПЕЧЕННЯ КОНКУРЕНТОСПРОМОЖНОСТІ СТРАХОВОЇ КОМПАНІЇ: МЕТОДИКО-ПРИКЛАДНІ АСПЕКТИ

Людмила Приступа

Кандидат економічних наук, доцент,
Хмельницький національний
університет,
Хмельницький, Україна
E-mail: PrystupaLA@gmail.com
orcid.org/0000-0002-5088-0654

Проблема. Управління елементами економічного базису спрямоване на формування, розвиток і реалізацію конкурентних переваг та забезпечення високого рівня конкурентоспроможності страхової компанії, що в підсумку сприятиме не лише нарощенню клієнтської бази страховиків, розвитку страхового сектору, а й залучення додаткових інвестиційних ресурсів у вітчизняну економіку.

Необхідність забезпечення високого рівня конкурентоспроможності вітчизняних страхових компаній в умовах активної євроінтеграції із використанням економічних важелів, а також наявність маловивчених та дискусійних питань обумовлює актуальність проведення подальших досліджень.

Мета та завдання. Метою статті є дослідження методико-прикладних аспектів економічного базису забезпечення конкурентоспроможності страхової компанії та обґрунтування напрямів удосконалення управлінської діяльності у даній сфері.

Результати. В статті досліджено методико-прикладні аспекти економічного базису забезпечення конкурентоспроможності страхової компанії в сучасному ринковому середовищі. Приділено увагу вивченню методичних аспектів оцінювання рівня конкурентоспроможності та конкурентної позиції страховика. Проведене оцінювання показників конкурентоспроможності за даними СК «Альфа-Гарант», дозволило вивчити стан, динаміку та визначити ключові заходи підвищення рівня конкурентоспроможності страхової компанії. На основі узагальнення результатів дослідження методико-прикладних аспектів економічного базису забезпечення конкурентоспроможності страхової компанії було виділено стратегічну, операційну, фінансову, інвестиційну, інноваційну та аналітичну домінанти, сукупність яких може формувати цільову функцію для формування перспективних планів розвитку, контролю поточної ситуації, виконання існуючих зобов'язань.

Висновки. Забезпечення конкурентоспроможності страхової компанії можливе за умови системної управлінської роботи з пошуку та оптимізації шляхів її розвитку. Важлива роль у цьому процесі належить аналітичній роботі, методи та прийоми якої достатньо різноманітні, водночас уніфіковані та не завжди відповідають особливостям діяльності страхової організації, що потребує удосконалення методичних засад аналітичного оцінювання конкурентоспроможності страхової компанії. Основою економічного базису забезпечення конкурентоспроможності страхової компанії є фінансові ресурси, базові аспекти управління якими обумовлені нормативно-правовою базою ведення страхового бізнесу.

Ключові слова: страхова компанія, конкурентоспроможність, економічний базис, управлінська діяльність, методи оцінки, показники, фінансова надійність, ризики, домінанти.

Отримано: Березень, 2018

Прийнято: Травень, 2018

DOI: 10.31520/2616-7107/2018.2.2-1

© Економіка. Екологія. Соціум, 2018
CC BY-NC 4.0 ліцензія

Introduction. Providing of high level of adaptivity of subject of manage to the dynamic changes of market environment and ability to compete at the market depends on the effective use and management of business-units an economic pattern.

The management of economic base ingredients is sent to forming, development and realization of competitive edges and providing of high level of competitiveness of insurance company, that in a result will assist not only the increase of client base of insurers, development insurance to the sector but also bringing in of additional investment resources in a home economy.

Analysis of recent researches and publications. Fundamental developments in the field of theory of competition and competitiveness belong to such foreign scientists, as: D. Aaker [1], I. Ansoff [2; 3], P. Drucker [4], M. Porter [5-7], J. Schumpeter [8] and other.

Among national scientists a significant contribution to development of theory and practices of providing of competitiveness of insurance companies was done by V.D. Bazylevych [9; 10], V.M. Bondarenko [11], O.O. Hamankova [12], O. V. Kozmenko [13], H.V. Kravchuk [14], L.V. Shiriian [15] and other

Despite solid scientific research and practical developments, package of questions of theoretical, methodical and applied character remain not untied. Among them it costs to distinguish the objective necessity of further development and perfection of theoretical and methodical bases of analytical evaluation efficiency of management of economic principles of providing of competitiveness of insurance company. To the practical aspects, that require a decision, belong forming of the methodical providing and practical recommendations in relation to diagnostics of competitiveness of insurance company, prognostication of changes of her level for the necessities of the operative, tactical and strategic planning, development and introduction of organizationally-economic tool in relation to her providing.

A necessity of providing of high level of competitiveness of domestic insurance companies is in the conditions of active eurointegration with the use of economic instruments, and also the presence of insufficiently known and debatable questions stipulates actuality of realization of further researches.

Aim and tasks. The aim of the article is research of the methodical and practical aspects of economic base of providing of competitiveness of insurance company and ground of directions of improvement of administrative activity in this sphere.

Results. Having regard to that essence gap-fillingness of maintenance of economic category the «competitiveness of insurance company» consists in the achievement of positive financial results due to efficiency of all types of activity in the conditions of changeable competition environment [16], success of system management of insurance company a competitiveness in modern terms is stipulated by the economic base of conduct of activity that is determined by the newest progress of insurance market trends, where the most essential methods of management are an estimation and analysis of competitiveness, planning and creation of effective strategies, method of financial firmness, marketing strategy that will provide collection and analysis of market condition. Use of that not only allows to accept reasonable decisions but also in a result allows to improve financial indexes and heave up the level of competitiveness of insurance company. Embodiment of the above-mentioned methods, and also their improvement is possible only at the complex going near the put tasks.

Being based on the complex going near the decision of tasks of management an insurance company, offer the system of administrative measures and actions, that will consist of separate, but *взаємопов'язаних* directions of development of insurance company, and the main task of that is creation of effective strategy of achievement and maintenance of competitiveness :

– determination of priority strategies - one of basic tasks of insurance company that will allow clearly to define the ways of development, being based on the results of estimation of market, competitive edges and potential possibilities of development and will allow to provide competitive edges in the future;

– complex going near the process of management, allows to systematize all links, unite in one continuous mechanism. Application of this ingredient has for an object optimization, efficiency of work of managers, restructuring, development of financial policy and centers of responsibility;

– permanent process of improvement of management of insurance company a personnel. This process envisages the search of ways for the personal interest of working personnel to the achievement of aims of company, and also increase of professional level of personnel for providing of the proper competitiveness of company at the market. For the sake of providing of professional development of workers it costs to apply next measures: realization of the proper studies, preparation and retraining in accordance with strategies of development, development of the effective system of motivation, forming of responsibility for a result and conditioning for realization of initiative labour;

– creation and realization of competitive insurance services. Main factors of creation and existence at the insurance market of competitive services it is their quality and price, with taking into account of advantages, that they provide. The increase of competitiveness of insurance services presents the permanent process of control after their quality and proper level their grant at service to the clients;

– the complex going is near diversification and planning of all types of activity. One of main aspects of functioning of control system by the competitiveness of insurance company there is a study of the state of affairs of insurance market that has a tendency to the permanent change. A step to

the increase of level of competitiveness is a process of diversification and planning, that envisages the row of next actions: program of development of insurer, updating of assortment row, search of ways of decline of prime price of insurance services, balancing and rational use of financial, material and labour resources of insurance company;

– creation of the system of analysis of charges of insurance company. Input of this function has for an object taking into account of necessities and requirements at the insurance market by reorganization of financial department of company, by means of modern methods of work and use of foreign experience. The correct going near this question will allow to get competitive edges at the insurance market;

– self-weighted investment policy of insurance company, is also the important factor in the competitiveness of the market, that will be realized by the method of optimization of the use of capital, that is on balance of insurer, placing of financial resources on the advantageous terms for a company and providing of the proof financial state;

– creation of new marketing strategy of insurance company. An achievement and maintenance of strong competition positions at the insurance market in modern realities are impossible without creation, improvement and realization of marketing strategy, where main tasks are: analysis and determination straight of marketing orientation; selection of professional shots that is able to realize certain direction; development of new methods and technologies of marketing sphere; perfection of assortment suggestion; search of new channels of sale; a search of ways of price abatement and permanent monitoring of prices are at the market; advertisement activity is at the market, and others like that;

– introduction and improvement of modern innovative-informative technologies by home insurers. Software complexes require more active application insurance companies inplane management of back- and front office, use of the newest internet-technologies and

cloudy storage and accumulation of informative resources. The most demonstrative examples of the use of innovative information and communication technologies in the field of insurance are introductions of telematic technologies in autoinsurance and provision of assistance services.

Thus, systematic and integrated management of competitiveness of insurance company play an important role and allows clearly to set aims and correct them depending on the state and level of competitiveness at the insurance market.

Quantitative and qualitative evaluation is the important element of general control system by the competitiveness of insurance company, the methodical base of that requires deepening and adaptation to the terms of modern domestic insurance market.

The comprehensive assessment of the insurance company's competitiveness management envisages determination of factors of influence on her level. At the same time, the analysis of literary sources makes it possible to draw the following conclusions:

- different authors depending on the scientific looks and sphere of interests ground the different set of factors that determine a competitiveness;

- the competitiveness of insurer is determined by totality of factors that characterize effectiveness his activity at the market and attributes of quality of insurance services;

- the competitiveness of insurance foods is determined by totality of factors, that determine their quality, price, availability for a client;

- it is possible to consider a market of insurer (insurance service) share and indexes related to her the final criterion of estimation of management of insurance company a competitiveness.

Study of professional literature [1-14; 17-30] and a systematic synthesis of existing developments, allows us to determine the key factors of ensuring and raising the level of competitiveness of an insurance company:

- financial provision of insurer, that is characterized by the indexes of financial stability, profitability, solvency, business activity;

- efficiency of operating activity, where a basic role is played by the prime price of insurance services, volume and structure of insurance portfolio, андерайтингова robot, settlement of losses, application of services of the third organizations and асистанських companies, level of automation and updating of the informative systems, qualification of personnel and labour productivity;

- efficiency of investing resources, the evidence of which is the size and diversification of the investment portfolio, the profitability and reliability of investments;

- management, that envisages quality and operationability of administrative work and validity of decisions, optimization of administrative charges;

- efficiency of marketing activity, profitability of sales, differentiation of channels of realization, development of філійної network, use of innovative-informative technologies, come forward as parameters of that;

- competitiveness of insurance services, which depends on tariff policy, quality and assortment, innovation and individualization;

- reputation of insurer, which is formed by long-term stable work and market of insurance services, open access to information for potential and existing clients, image and competence of the manager and team of employees, responsiveness in case of insurance, high level of insurance payments, convenience of cooperation with client groups, application reinsurance operations.

The assessment of the level of competitiveness is a very complex and multifactorial process, as not all factors of forming of competitive edges are subject to the quantitative estimation. Thus, in the course of qualitative assessment of certain factors, a problem may arise of their mathematical formalization.

While other factors that stipulate forming of competitive edges of insurance company are subject to the quantitative estimation and are basis of realization of estimation of level of competitiveness of insurance company.

Farther will consider the methods of estimation of competitiveness of products and enterprise from the point of view of possibility of their application insure at the estimation of insurance product and insurer (table 1) :

- method based on the theory of multipliers - competitiveness is determined by the amount of investments that bring consumer satisfaction and increase profits. There is direct connection between investments, quality of satisfaction of consumers and competitiveness. The competitiveness of enterprise is estimated;

- method of integral index - satisfaction of consumers is measured on the indexes of different importance and it is determined them the generalized estimation. The competitiveness of commodity is estimated;

- matrix method (BCG) - a matrix is built on two key indexes after the provision of every enterprise (to the commodity) is determined on her. Every quadrant of matrix has a different competitiveness;

- estimation of productive potential - competitive is an enterprise that produces products at the level of the world best standards, has subzero charges, flexible production;

- method of comparative advantages (Porter's matrix) - a company that is the leader in terms of costs, profit and sales, market share, profitability is a competitive one;

- method of quality of goods - a comparison of the characteristics of the goods with the characteristics of competitors, important from

the consumer's point of view. It is assumed that the product with the best characteristics is more competitive and better satisfies the needs of the consumer.

Research of the methodical going near the estimation of competitiveness of the subjects of menage, presented in economic literature, and the selection of base indicators with taking into account of requirements of informing, complexity, adequacy and optimality, allows to define the next groups of indexes that characterize the basic criteria of competitiveness of insurance company:

- absolute performance of insurance company indicators,

- relative indexes of efficiency of activity of insurance company,

- indexes that estimate positions of insurance company at the market of insurance services;

- risk indexes.

Resources the financial enter in the complement of that come forward as initial factors of forming and maintenance of corresponding level of competitiveness of insurance company, to labour and informative.

Financial reliability of insurance company, that is first of all determined by the level of her solvency, that must be supported constantly, depends on rational possession, bringing in and disposing of financial resources.

Solvency means possibility, ability of insurer to answer after the obligations. The coefficient of solvency settles accounts as attitude of property asset of enterprise toward the result of balance sheet and shows specific gravity of property asset in the lump sum of the facilities advanced in his activity.

Table 1. Methods of estimation of competitiveness

Method	Essence	Advantages	Defects	Possibility of application
1	2	3	4	5
A method is based on the theory of cartoonists	A competitiveness is determined through the sum of investments that bring satisfaction of consumers and increase of income. There is direct connection between investments, quality of satisfaction of consumers and competitiveness. The competitiveness of enterprise is estimated	Relatively simple for a calculation; allows to estimate expediency of інвестицій	Oriented to satisfaction consumer need and does not take into account efficiency of economic activity	Application is limited through the shortage of informative base
Method of integral index	Satisfaction of consumers is measured on the indexes of different importance and it is determined. Then the generalized estimation. The competitiveness of commodity is estimated	Simple for the use; can be used for different by nature commodities that satisfy one necessity	Суб'єктивність of determining the weight of criteria; Complication of selection of parameters is at the heterogeneous commodity masses	Application is possible
Matrix method (BCG)	A matrix is built on two key indexes and the provision of every enterprise (to the commodity) is determined on her. Every square of matrix has a different competitiveness	Applied for all commodities and enterprises; allows to look after a dynamics	Too simplified approach; subjectivity of separate indexes; complication is in determination of separate indexes	Application is possible, but a result is reasonable not enough
Estimation of productive potential	A competition is an enterprise that produces products at the level of the world best standards, has subzero charges, flexible production	Influence of efficiency of economic activity and factors of productive potential is investigated on a competitiveness	Impossibility to estimate a competitiveness in comparing to the competitors; influence of environment does not take into account	Application is limited through the shortage of information about charges
Method of comparative advantages (Porter's matrix)	Competitive is an enterprise, that leads on the indexes of charges, volumes of income and sale, market, profitability shares	Takes into account the factors of scale and international division of labor	Static of estimation; the estimation of scale does not take into account efficiency of activity; influence of environment is not estimated	Application is limited through the shortage of informative base
Method of quality of commodity	Comparing of important from the point of view of consumer descriptions of commodity is to descriptions of competitors. It is envisaged that a commodity with the best descriptions is more competitive and better satisfies consumer need	Importance of different descriptions is taken into account for a concrete consumer; detailed and complex analysis of competitiveness	It is used only for the estimation of commodities; efficiency of activity of enterprise does not take into account	Application is possible for the estimation of competitiveness of insurance product

Source: author's development based on [1-14; 20-30].

Minimum (normative) value of coefficient of solvency $> 0,5$. That greater coefficient of solvency, then higher level of financial reliability of insurer.

The financial reliability of the insurer is also ensured by such a tool as reinsurance. The purpose of reinsurance is that the insurer transfers the share of risk to the reinsurer and continues to be fully liable to the insure. Therefore determining size of own maintenance of obligations has a very large value. If a size of obligations will be too high, then in case of offensive of accident insured for an insurer there can be not enough money for coverage of losses of insure. The share of reinsurance premiums must be less than 50%, that characterizes independence of insurance organization from reinsurer. Financial reliability of insurer is interpreted as his possibility to execute the insurance obligations accepted on the contracts of insurance and перестраховання in case of influence of unfavorable factors. Therefore proof financial reliability of insurance operations gives an opportunity to the insurer to execute all obligations under any unfavorable circumstances. Proof financial reliability of insurance operations gives an opportunity to the insurer to execute all obligations under any unfavorable circumstances.

Factors that provide financial reliability of insurance company :

- sufficiency of own funds (capital);
- validity and prudence of the tariff policy;
- balanced of insurance portfolio;
- sufficiency of insurance reserves.

Taking into account the specific of insurance activity of risk companies, there must be the peculiar increased liquidity them. Basis of liquidity is provided by a quality management monetary resources. In general under liquidity it follows to understand possibility of company quickly to convert different assets into monetary resources.

Insurance companies with the aim of providing of liquidity must form balance between assets and obligations and necessarily

to keep a certain reserve of money. The supply of monetary resources needs to the companies for coverage of urgent insurance and uninsurance obligations, and also in an order to cover sudden requirements in monetary resources.

The Ukrainian financial market in the conditions of present time can not be defined as stable, that is why the Ukrainian insurance companies hold on the accounts in banks substantial enough amounts of money moneys. But in the future, after the achievement of final financial stability, more attention must be spared the question of management monetary resources, as investments of different financial assets can give the rate of income considerably anymore, than give the investment of money in bank deposits.

Thus, under liquidity of insurance company it follows to understand ability of her quickly to convert the assets into monetary resources and pay off to fear and uninsurance obligations. Under solvency it follows to understand ability of insurance company to plan the receipt of monetary resources and realization in time of calculations after obligations in the normal terms of menage.

The summarizing indexes of efficiency of activity of insurance companies in comparing to the competitors are competition positions. The «estimation of competition position of firm allows to define as far as strong today's competition position of firm, what change of competition position it is possible to expect today's strategy at the use, what grade of firm in relation to key rivals in every important component of competition force and branch key factor of success, what list of competitive edges of firm and possibility of firm to protect the position» [29, p. 73].

For the evaluation of competition position of insurance company the formalized and unformalized data can be used, that stipulates the variety of application of methods of економіко-математичного, imitation design and expert evaluation. Having regard to it the existent methods of financial management can be divided into those, that will characterize the

financial state of insurer, competitiveness of insurance services, be based on the evaluation of efficiency of administrative work (expert evaluation, situational analysis, stowage of maps of strategic groups) and determination of market positions by models M. Porter, McKinsey, Boston Consulting Group and other.

The most objective and prudent in determining the competitive position of the insurance company will be the evaluation of several methods, with the possible comparison, comparison and synthesis of the results.

To the list of indicators of the insurer's competitiveness at a certain date, which characterize its financial status can be attributed:

- the ratio of equity and statutory capital, which in excess of 1 indicates the profitability of activities and the ability to develop, otherwise, the lack of financial support for further development,

- an indicator of the provision of own funds, which characterizes the financial stability of the insurance company and is determined by the ratio of the amount of equity to technical reserves;

- a stand-by leverage, which can be used to assess the flexibility of capital management; it is an indicator reversed to the previous one and is determined by the ratio of the amount of technical reserves to equity;

- income generation indicator, which reveals the aggregate potential of available resources and the quality of management of them, is the ratio of net cash flow to the average annual amount of assets of the insurer;

- the coefficient of loading by means of which one can estimate the rationality of the expenses of the insurance fund, determined by dividing the amount of expenses for conducting business into the amount of insurance premiums;

- level of business activity that characterizes the efficiency of using the resources of the insurance company and is the ratio of insurance premiums to the balance of the currency;

- endurance of the company, that is, its ability to work in an intensive mode over a long period, which can be estimated using the ratio of the sum of insurance premiums from the current to the previous years.

A significant number of parameters for assessing the insurer's competitive ability allows it to comprehensively assess its ability to compete with direct competitors and defines the ability to effectively prevent possible losses.

Now in the developed countries of the world has become dominated by the idea that the management of capital and solvency of financial and credit institutions should be based on an assessment of the risks of their activities. In this case, an assessment of both financial and non-financial factors of the insurer. In accordance with this postulate, a new system for assessing the solvency of insurance companies and capital adequacy criteria called Solvency 2 in the EU countries.

Under this system, risks are grouped into:

- identification risk - the risk of inadequate perception by owners and management of the situation taking place in the company, its position in the insurance market, assessment of the financial capacity of the company to fulfill its obligations;

- risk in the management of assets and liabilities - the risk of inconsistency in the coverage of urgent liabilities with assets, the risk of poor assets, risky increase in the capitalization of insurance companies;

- risk of monitoring and management - the risk of making false management decisions, the risk of fraud by management and staff, the risk of error in controlling the insurer's compliance with solvency and financial sustainability standards;

- risk of reporting and information risk - the risk associated with incorrect information about the situation in the company owners, new investors, clients. The risk of information wars, "black PR" by competitors of the insurance company;

- infrastructure risk - the risk associated with errors in the processing of data

in computer systems and other company communications, the risk arising from the transfer of information and interaction in relations between the company's, company's and insurance intermediaries;

– risk in relation to clients - the risk of fraud, falsification of insurance claims, lawsuits from clients due to improper performance by the insurance company of its obligations.

In practice, the subject of an entity faces the challenge not only to determine its competitiveness at the present time and to react in a timely manner to changes, but also to determine its financial potential for obtaining reliable data on the real state.

It is therefore expedient to study the indicators of competitiveness of the current insurer, which will be carried out on the basis of data of the IC "Alfa-Garant", since 2003

working in the insurance market and offers a wide range of insurance services for individuals and legal entities. The company is among the top 20 Ukrainian insurers in terms of assets, equity, insurance reserves, awarded with a special industry premium "Ukrainian Financial Olympus" in the nomination "Financial reliability", according to the Charter, the authorized capital made by the participants in the funds is 85 000 000 UAH.

Analytical research of indexes of competitiveness of insurance company "Alfa-Garant" for 2015 - 2017 the results of that are given in a table 2, shows that during the investigated period, we observe an increase in the level of indicators of business activity, load factor and reserve leverage, the indicator of income recovery compared to 2015 (-0.05) decreased to -0.09.

Table 2. Indicators of competitiveness of IC "Alfa-Garant" for 2015 – 2017

Indicator	2015	2016	2017	Divergence (2016/2015)		Rate of growth, % (2016/2015)	Divergence (2017/2016)		Rate of growth, % (2017/2016)
				Absolute	Relative, %		Absolute	Relative, %	
1	2	3	4	5	6	7	8	9	10
Value property equity and share capital	1,87	1,17	1,23	-0,70	62,57	-37,43	0,06	105,13	5,13
Indicators of own funds	7,34	2,95	3,12	-4,39	40,19	-59,81	0,17	105,76	5,76
Reserve leverage	0,14	0,34	0,32	0,20	242,86	142,86	-0,02	94,12	-5,88
Index of generating of profits	-0,05	0,13	-0,09	0,18	260	360	-0,22	-69,2	-169,2
Load factor	0,64	0,84	0,86	0,20	131,25	31,25	0,02	102,38	2,38
Business activity	0,30	0,64	0,74	0,34	213,33	113,33	0,10	115,63	15,63
Indicator endurance of company	1,37	1,63	1,26	0,26	118,98	18,98	-0,37	77,30	-22,70

Source: calculated by the author according to [31].

Note that the normative value of the index of maintenance of own funds should be equal to or greater than "1", it indicates that all insurance reserves of the insurer are provided with own funds. As you can see, IC "Alfa-Garant" adheres to the normative meaning and in the last 2 years (2016 and 2017) it even exceeds it. This is a positive factor, which confirms the sufficient level of financial security of the insurance company. At the same time, the overall change in the ratio of equity and statutory capital, equity and endurance of the company is also negative. The most significant was the reduction of the maintenance of own funds from 7.34 to 3.12. Two other indicators at the end of the study period were respectively 1.23 and 1.26 compared to the initial values of 1.87 and 1.37.

From the above calculations it is possible to draw a conclusion, insurance company "Alfa-Garant" has an average level of competitiveness in the insurance market of Ukraine, and there is a general tendency of deterioration of relative indicators of competitiveness, indicating the need to improve the system of competitiveness management of the investigated insurance company.

From the brought calculations over it is possible to draw conclusion, IC "Alfa-Garant" has a middle level of competitiveness at the insurance market of Ukraine, what a general tendency of worsening of relative indexes of competitiveness that testifies to the necessity of improvement of control system by the competitiveness of the investigated insurance company is at.

On the basis of conducted analytical researches of indicators of activity of IC "Alfa-Garant", the key measures which can promote strengthening of financial positions of the company are:

- constant monitoring of the financial condition of the organization;
- development and timely refinement of financial strategy indicators;

- development of information technologies in the field of financial planning;
- optimization of the system of sales of specific insurance products.

Regarding investment activity, we will note the main aspects, increased attention to which will likely allow an insurance company to expand the investment opportunities and improve its performance indicators:

- expansion of assortment of used investment instruments;
- regular analytical work, which involves monitoring the financial market situation and finding affordable investment objects.

It must be agreed that "the competitiveness of the organization as a whole is conditioned by the high level of competitiveness of the insurance product, operations, services" [11, p. 24]. In this case, the practical realization of the main tasks for increasing the competitiveness of the insurance company - "increase sales, reduce costs for contracting, increasing the efficiency of sales channels, reducing the cost of conducting contracts, improving the quality of customer service" [11, p. 25] are determined by the methods of developing and adopting financial management decisions that represent the most important component of the process of managing the competitiveness and financial capacity of the insurance company. They need to be continuously improved, rebuilt in accordance with new challenges and new realities in which the economy develops.

Taking into account this, the dominant economic base of the competitiveness of the dynamically developing insurance company, which is investigated by IC "Alfa-Garant", is: in view of the prospects of achieving results - strategic; depending on the type of activity - operational, investment, financial; from the standpoint of the use of innovations and the latest developments - innovative (Fig. 1).

Economic basis of providing of competitiveness of insurance company		
DOMINANTS	Strategic	<ul style="list-style-type: none"> - increase of the share in the insurance market; - access to a more profitable segment of the market; - raising the level of competitiveness in the insurance market;
	Operational	<ul style="list-style-type: none"> - improvement of liquidity indicators; - reduction of the cost of insurance services;
	Financial	<ul style="list-style-type: none"> - attraction of additional funds at the expense of financial activity; - use of modern financial instruments and methods;
	Investment	<ul style="list-style-type: none"> - differentiation of investment portfolio;
	Innovative	<ul style="list-style-type: none"> - use of modern innovation and information technologies for introducing new ones and increasing the competitiveness of existing insurance products and services;
	Analytical	<ul style="list-style-type: none"> - transition to international accounting standards; - international audit.

Fig.1 Dominants of economic basis of providing of competitiveness of insurance company
Source: made by author.

Dedicated dominant economic basis of providing the competitiveness of the insurance company, striving for sustainable development and improvement of the performance of the activity, cover all areas of the decisions on the management of competitiveness and increase their degree of validity and prudence.

Conclusions. Providing of competitiveness of insurance company is possible on condition of system administrative work from a search and optimization of ways of her development. An important role in this process is fixed to analytical work, methods and the receptions of that are various enough, at the same time compatible and not always answer the features of activity of insurance organization that requires the improvement of methodical principles of analytical evaluation of competitiveness of insurance company. Basis of economic base of providing of competitiveness of insurance company are financial resources, the base aspects of management are conditioned that by the normatively-legal base of conduct of insurance business. Taking into account that the

evaluation of level of competitiveness must be conducted with the use of data of competition environment in the article was pay attention to not only research of methodical aspects of evaluation of level of competitiveness but also competition position of insurer. Conducted evaluation of indexes of competitiveness from data of IC "Alfa-Garant", allowed to learn the state, dynamics and to define the key measures of increase of level of competitiveness of insurance company. On the basis of generalization of results of research of the методико-прикладних aspects of economic base of providing of competitiveness of insurance company strategic, operating, financial, investment, innovative and analytical dominants the totality of which can form a target function with its further mathematical interpretation and the possibility of economic and mathematical modeling and identify the prospects for obtaining a synergistic effect, for the formation of perspective development plans, control of the current situation, the implementation of existing obligations.

REFERENCES

1. Aaker, D.A. (2002). *Strategic Market Management*, 6-e izd. Sankt-Peterburg: Piter [in Russian]
2. Ansoff, I. (1999). *New corporate strategy* (S. Zhil'cova, Trans.) Ju. N. Kapturevskiy (Ed.). Sankt-Peterburg: Piter [in Russian]
3. Ansoff, I. (1989). *Strategic management*. Moscow: Jekonomika. [in Russian]
4. Druker, R.F (2004). *The essential Drucker* Trans. from engl. Moscow: Izdatel'skij dom "Vil'jams", 2004. [in Russian]
5. Porter, M. (2005). *Competition*. Moscow: Vil'jams[in Russian]
6. Porter, M. (2005). *Competitive strategy: The methodology of analysis of industries and competitors*. Trans. from engl. Moscow: Al'pina Biznes Buks[in Russian]
7. Porter, M. (2006). *Competitive Advantage: How to achieve high results and ensure sustainability*. Moscow: Al'pina Biznes Buks[in Russian]
8. Shumpeter, J. A. (2007). *The theory of economic development*. Moscow: Direkt-Media Publishing [in Russian]
9. Bazylevych, V. D. & Bazylevych, K.S. (2006). *Insurance business*. 5th edition, ster. Kyiv: Znannia [in Ukrainian].
10. Bazylevych, V. D. (2011). *Insurance: workshop: teach. manual*. 2nd ed., reworked and suppl. Kyiv: Znannia [in Ukrainian].
11. Bondarenko, V.M. (2015). *Competitive strategy of insurance companies at market of financial services* *Scientific bulletin of Polissia* 3,19-25. Retrieved from: http://journals.urau.ua/nvp_chntu/article/view/60218/56015. [in Ukrainian].
12. Hamankova, O.O. (2009). *Market of insurance services of Ukraine: theory, methodology, practice*. Kyiv: Publishing House of Kyiv National Economic University [in Ukrainian].
13. Kozmenko, O. V. (2008). *Insurance market of Ukraine in the context of sustainable development*. Sumy: DVNZ "UABS NBU" [in Ukrainian].
14. Kravchuk, A.V. (2010). *Methodological foundations of the competitiveness of insurance companies*. Doctor's thesis. Sumy: STATE HIGHER EDUCATIONAL STAFF "UKRAINIAN ACADEMY OF BANKING BUSINESS NATIONAL BANK OF UKRAINE" Retrieved from: http://essuir.sumdu.edu.ua/bitstream/123456789/51373/7/Kravchuk_%20Metodolohichni_zasady.pdf [in Ukrainian].
15. Shiriian, L.V., Shiriian, A.S. (2011). *Competitiveness of the insurance market of Ukraine in modern conditions* *Economy of Ukraine*,7, 37-48. [in Ukrainian].
16. Prystupa, L.A., Kharchuk, O.B. (2017) *Conceptual basics of the insurance company's competitiveness in the modern market environment* *Economics and society*,13,1201-1206. Retrieved from: <http://economyandsociety.in.ua> [in Ukrainian].
17. Baranova, V., Nienno, I. (2012). *Financial potential of the insurer*. *Economist*,8,70-72. [in Ukrainian].
18. Bezuhla, V. O., Postil, I. I., Shapoval, L. P.(2008). *Insurance*. Kyiv: Center for Educational Literature [in Ukrainian].
19. Hovorushko, T. A. (2008). *Insurance services: tutorial 2nd form, supplemented and redone*. Kyiv: Center for Educational Literature [in Ukrainian].
20. Horbatov, V. M. (2006). *Competitiveness and development cycles of integrated business structures*. Kharkov: PH "YNZhEK" [in Russian]
21. Horbach, L. M., Kaun, O. B. (2010) *Insurance*. Kyiv: «Kondor»[in Ukrainian].
22. Feshchenko, V. V. et al. (2008). *Encyclopedia of insurance*. Kyiv: Ukrainian Financial Development Agency [in Ukrainian].
23. Yermoshenko, A.M. (2013). *Particular strategic aspects of insurance company management*. *Actual problems of economics*, 11(149), 128-135. Retrieved from: http://nbuv.gov.ua/UJRN/ape_2013_11_20. [in Ukrainian].

24. Slobodianiuk, O., Tolkacheva, G. (2018). Institutional forms and their competitive analysis of organization of insurance activities in Ukraine. *Economics. Ecology. Socium*, 2, 99-110. Retrieved from: <https://ees-journal.com/index.php/journal/article/view/54/25>.
25. Vnukova, N. M., Vremenko, L. V., Uspalenko, V. I. et al. (2009). Insurance: theory and practice. Vnukova, N. M.(Ed.) Kharkiv: Burun Knyha [in Ukrainian].
26. Tkachenko, N. V. (2007). Insurance. Workshop. Kyiv: Lira-K [in Ukrainian].
27. Shumelda, Ya. (2004). Insurance. Ternopil: Dzhura [in Ukrainian].
28. Osadets, S.S. (Ed.) (2006). Insurance. Kyiv: KNEU [in Ukrainian].
29. Kulinichev, P.K. (2013). Assessment of the factors of influence on the competitive position of the enterprise. The Bulletins of NTU „KhPI”. «Technological progress and efficiency of the output» Kharkiv: NTU „KhPI”,45(1018),69-75. [in Ukrainian].
30. Ionin, M. Ye. (2014). Parameters of assessment of the competitive position of the insurance company *Finance, accounting, banks*, 1 (20),137-144. Retrieved from: <https://jfub.donnu.edu.ua/article/download/1013/1030>. [in Ukrainian].
31. Official site of IC "Alfa-Garant" (2018). Retrieved from: <https://alfagarant.com/> [in Ukrainian].

ЛІТЕРАТУРА

1. Аакер Д.А.Стратегическое рыночное управление, 6-е изд. Санкт-Петербург: Питер, 2002, 544 с.
2. Ансофф И. Новая корпоративная стратегия / пер. с англ. С. Жильцова; под ред. Ю. Н. Каптуревского. М. [и др.]. Санкт-Петербург: Питер, 1999. 414 с. (Теория и практика менеджмента).
3. Ансофф И. Стратегическое управление. Москва: Экономика, 1989. 303 с.
4. Друкер П. Энциклопедия менеджмента / пер. с англ. Москва: Издательский дом "Вильямс", 2004. 432 с.
5. Портер М. Конкуренция. Москва: Вильямс, 2005. 608 с.
6. Портер М. Конкурентная стратегия: Методика анализа отраслей и конкурентов/ пер. с англ. Москва: Альпина Бизнес Букс, 2005. 454 с.
7. Портер М. Конкурентное преимущество: Как достичь высокого результата и обеспечить устойчивость. Москва: Альпина Бизнес Букс, 2006. 715 с.
8. Шумпетер Й. А. Теория экономического развития. Москва: Директ-Медиа Пабблишинг, 2007. 400 с.
9. Базилевич В. Д., Базилевич К.С. Страхова справа: 5-те вид., стер. / Київ: Знання, 2006. 351 с.
10. Страхування: практикум: навч. посіб. / за ред. В. Д. Базилевича. 2-ге вид., переробл. і допов. Київ: Знання, 2011. 607 с.
11. Бондаренко В.М. Конкурентна стратегія страхових компаній на ринку фінансових послуг Науковий вісник Полісся. 2015. № 3. С.19-25. URL: http://journals.uran.ua/nvp_chntu/article/view/60218/56015.
12. Гаманкова О.О. Ринок страхових послуг України: теорія, методологія, практика. Київ: Видавництво Київського національного економічного університету, 2009. 283 с.
13. Козьменко О. В. Страховий ринок України у контексті сталого розвитку: Монографія. Суми: ДВНЗ “УАБС НБУ”, 2008.352 с.
14. Кравчук Г.В. Методологічні засади управління конкурентоспроможністю страхових компаній: дис. доктора екон. наук. 08.00.08 Суми, 2010. 489 с. URL: http://essuir.sumdu.edu.ua/bitstream/123456789/51373/7/Kravchuk_%20Metodolohichni_zasady.pdf
15. Шіріян Л.В., Шіріян А.С. Конкурентоспроможність страхового ринку України в сучасних умовах Економіка України.2011. №7. С.37-48.

16. Приступа Л.А., Харчук О.Б. Концептуальні засади конкурентоспроможності страхової компанії в сучасному ринковому середовищі «Економіка та суспільство». 2017. № 13. С.1201-1206. URL: <http://economyandsociety.in.ua> (Index Copernicus (ICV 2015: 35.93))
17. Баранова В., Ненно І. Фінансовий потенціал страховика. Економіст. 2012. №8. С.70-72.
18. Безугла В. О., Постіл І. І., Шаповал Л. П. Страхування: навчальний посібник. Київ: Центр учбової літератури, 2008. 582 с
19. Говорушко Т. А. Страхіві послуги: навчальний посібник; 2-ге вид., доповнене і перероблене. Київ: Центр учбової літератури, 2008. 344 с.
20. Горбатов В. М. Конкурентоспособность и циклы развития интегрированных структур бизнеса: Монография. – Харьков: ИД “ИНЖЭК”, 2006. 592 с.
21. Горбач Л. М., Каун О. Б. Страхування: навчальний посібник. Київ: «Кондор», 2010. 520 с.
22. Енциклопедія страхування / В. В. Фещенко та ін. Київ: Українське агентство фінансового розвитку, 2008. 650 с.
23. Єрмошенко А.М. Окремі стратегічні аспекти управління страховими компаніями. Актуальні проблеми економіки, 2013. № 11. С. 128-135. URL: http://nbuv.gov.ua/UJRN/ape_2013_11_20.
24. Slobodianiuk, O.; Tolkacheva, G. Інституціональні форми та їх конкурентний аналіз організації страхової діяльності в Україні. Економіка. Екологія. Соціум. 2018. 2. С. 99-110. – URL: <https://ees-journal.com/index.php/journal/article/view/54/25>
25. Страхування: теорія та практика: навчальний посібник / [Внукова Н. М., Временко Л. В., Успенко В. І. та ін.; за заг. ред. д. е. н., проф. Н. М. Внукової. [2-ге видання, перероблене та доповнене]. Харків: Бурун Книга, 2009. 656 с.
26. Ткаченко Н. В. Страхування. Практикум: навчальний посібник. Київ: Ліра-К, 2007. 270 с.
27. Шумелда Я. Страхування. Навч. посібник. Тернопіль.: Джура, 2004. 280 с.
28. Страхування: підруч. / Керівник авт. кол. наук. ред. С.С. Осадець, д. е. н., проф. Київ: КНЕУ, 2006. 528 с.
29. Кулінічев П.К. Оцінка факторів впливу на конкурентну позицію підприємства Вісник НТУ „ХП”. Серія: Технічний прогрес і ефективність виробництва. Харків: НТУ „ХП”. 2013. № 45(1018). С. 69-75.
30. Іонін М. Є. Параметри оцінки конкурентної позиції страхової компанії Финансы, учет, банки. 2014. № 1 (20). С. 137-144. URL: <https://jfub.donnu.edu.ua/article/download/1013/1030>.
31. Офіційний сайт СК «Альфа-Гарант». URL: <https://alfagarant.com/>