Problem statement. Value chain as enterprise model variant may be observed as a system, which comes under control, oriented to increase processes efficiency and enterprises competitive advantages. A value chain, structured according to Porter’s model by main and additional types of activities, comes under influence of many factors. Taking into account those factors leads to changes in that chain structure, particularly through introduction of outsourcing/insourcing decisions, key competencies reclassification, strategic aims modification. In general one can distinguish three following stages during stable cycle:
- construction of the value chain – Porter’s model (1st stage);
- deconstruction (analysis) – to reveal contradictions, disorganizing elements, unnecessary processes, which give no value (2nd stage);
- reconstruction (synthesis) – to create new value chain (3d stage).

There are some peculiarities, if value chain construction comprises only one separate enterprise and isn’t beyond it, and when value chain construction comprises supplies chain as integrated structure of the independent economy entities, based on voluntary and agreements.

It is obvious that realization of the Porter’s value chain concept amidst supplies chain concerning value maximization the final customer faces many urgent barriers owing to aims conflicts between supplies chain participants. They can accept different business-models, have conflict corporative strategies, to be simultaneously participants of the competing supplies chains etc. It means that it is necessary to focus attention on supplies chain productivity, particularly its effectiveness, elasticity, innovativeness, in the proper accepted level of the final customer’s value receiving. That’s why there is controversy to understand value and supplies chain, their semantics. Particularly, value chain efficiency growing occurs through coordination of all actions, held within chain, and consists in getting of the more useful

1 Original data of the article: Крикавський Є.В. Ланцюг вартості Портера (конструкція, деконструкція, реконструкція) та управління за цінностями / Є.В. Крикавський, З. Патора-Висоцька // Маркетинг і менеджмент інновацій. – 2015. – № 2. – С. 121-133

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http://mmi.fem.sumdu.edu.ua/
E.V. Krykavskyy, Z. Patora-Wysocka. Porter's value chain (construction, deconstruction, reconstruction) and managing by values

economic results in time. Coordination is achieved through some rules use and formalized organizational procedures. In [1, p. 197-202] one points that value chain efficiency increasing is influenced by the following factors: scale effect, experience curve, costs for main means purchase, connection with other types of activities in value chain, abilities exchange, advantages of integration or outsourcing, advantages “to be first" (eng. timing), high part of the constant expenses in general expenses, strategy choice and operative decisions. Mentioned factors may be taken in the supplies chain productivity.

Considering some convergence of the described elements in value and supplies chains, we couldn’t help calling assumption the following statement: value/supplies chain has to correspond the chosen general strategy and always come under processes of reconstruction+reconstruction while changing or modifying this strategy.

Analysis of the last research and publications. Value chain conception, popularized by Michael E. Porter in the middle of 80s XX century [2], is based on two known methods of analysis concerning business control problems, from the point of methodological view. The first consists in rationalization of the technical and organizational systems by L.D. Miles (value analysis). The second one is famous McKinsey and Company approach to solve business problems [3].

Value chain is considered consequency of the enterprise interconnected processes and acts, oriented to create product or service, that enables creation of the added value through increase of customers’ satisfaction level and creation of company competitive advantages. Analysis of the value chain as instrument allows to increase profitability of the value chain and is used both to formalize models and strategies and to solve operating problems at the enterprise. Value chain analysis is urgent for marketing, logistics and financial accounting. Therefore it is important to provide systematic approach to make decision concerning value chain restructuring, considering the fact of status quo breaking in relationship in value chain.

In 80s one one of the most popular theory of the systematic approach became conception “7S”, investigated by E. Atos, R. Pascal, T. Peters, R. Waterman. It reproduces way to understand problems, connected with development or organization reformation (McKinsey’s model “7S”). Its title is created by names of seven interconnected variables, which start with letter “S” in English: strategy, structure, systems, staff, skill, shared values, style. Obviously that each of the mentioned variables may require much or fewer changes, may be more or less useful to realize new construction of the value chain. Such approach would allow to set microfactors for every working blocks, which in their turn, influence the financial factors (factors of the macrolevel), including clear and operating profit, investments into main and working capital, value of the company capital. Such classification allows to determine which acts or management types and managers’ motivation in the lower rank are to be chosen. One needs to realize impact of every factor on value creation, to achieve success at the market.

More literature sources point also factors – value generators [4]: sales amounts tempos, operational activity margin, efficient tax rate, investments into the working capital, investments into main capital, capital value, and constant competitive advantage. However today enterprises need to pay attention to weak structured factors, besides measured factors, which are defined [5]: by talented staff control, rational management of the sales department, friendly relations between workers, educational programs of workers, high estimation of the enterprise corporative image owing its benefit activities, participation in the public activities, efficient advertisement, technological process secret, beneficial credit terms, on which factors good image and enterprise reputation has influence, cooperation with partners, strategic geographical location, talented workers’ inventions, available tax terms and useful legal norms, very beneficial conditions for development and market competition weakness.
One more group of factors which influence enterprise value chain is caused by updating of environment and society problems (sustainable development concept, business social responsibility, value 3.0 marketing). Generally, such tendency may be described with human valuables prioritization trend, among which there are: friendly attitude towards nature, tolerance showing of cultural, spiritual, historical valuables, worry about population life quality, fight against poverty, healthy way and life style propaganda etc. Such trend testifies that fact which once Peter Drucker told: “Valuables are more important than aims” [6].

He understood that organization as a human needs also its self-expression in business, in external and internal environments, that’s why enterprise needs to form strategy, subdivisions aims, to conduct selection and motivation of workers, to develop organizational culture, by the chosen valuables. One can provide integration and coordination of acts and team through such way. Only owing to implanting of some behavior norms to workers, raising feeling of valuable changes necessity, investigation of “Company’s Codex” we may receive workers’ desirable behavior norms. Valuables and overpersuasion have to be hidden in norms in such way that they are not to be resume in orders, tasks, stimuls, because they become natural ones.

Good illustration of the given approach to valuables is Steve Jobs, who explained in advertisement, that just valuables play a significant role to determine brand Apple: “… many things have been changed, but fundamental valuables have not been, in spite of nothing, Apple as earlier implements everything we supposed right initially. And now, more than once earlier. Companies mission is “think in another way”. Everything, that Apple wishes to do, reveals soul of our company” [7]. Concluding the mentioned above, one may confirm that enterprises, especially global ones, considering more domination of human valuables in transactions В2В and В2C, have to edit strategic targets at the stage of maturity in its development life cycle, modifying view and its mission. It decreases status of business-aims, and thus, permanent target conflicts, removal of which requires some mechanisms and decisions in management system. In such interpretation the leading global firms experience can be noticed.

The aim of the article is to study both positive and negative experience while choosing strategy by large world companies, to actualize value chain concept in its dynamic dimension (construction, deconstruction, reconstruction) in optimization of supplies chains effectiveness, based on considering the correspondence between enterprise life cycle strategy, market conjuncture and human valuables.

Main material. Modern interpretation of the supplies chain foresees to take into account and to harmonize interested groups aims, among which there are owners and sharers, working staff, customers, society, enterprises-contractors etc. It is profitability of assets for owners and sharers, good and careful labor conditions and respectable wages for working staff, for clients – full satisfactions of their needs, for community and society in general – respective social policy from business turn (joint participation to decide urgent social questions, caring attitude to environment, healthy way and life quality propaganda), for contractors – there are stable, long-term, effective business-relations. Obviously, their simultaneous achievement space is rich for various conflicts, which can’t be avoided, but they can be relieved through coordination and harmonization of the subjective aims.

To our minds, it’s more effectively to achieve accepted for all interested groups decision of target conflicts in the process of managing by values model introduction. Model of Managing by Values – MBV [8] creates new opportunities for modern heads and managers. MBV has an important value in controlling the organizations in the complicated environment. Managing by values was earlier supposed “very soft”. Interest to control enterprise, using more “Soft” control models is caused owing to:

1) quick growth of the complicated enterprise structures, net structures, supplies chains,
clusters and changes in the environment;

2) increase of the separated working places part, where it is impossible to estimate worker’s activity results;

3) increase of workers’ knowledge concerning personal valuables, respect needs, consideration of abilities for self-realization, connected on the one hand with education level increase, and on the other hand – full satisfaction of physiological needs, security needs etc, i.e. satisfaction of the low level needs;

4) increase of the high labor turnover. Relatively high easiness to change working places determined that employers have to satisfy workers’ needs, connected with their professional advancing and ambitions, in order to save the best specialists. Specialists, especially in service sphere, realizing that there is demand for their knowledge and experience, attach more attention to independence, creativeness and sureness in oneself. Confidence in worker has more important value at the working place [9].

Analysis of these factors allows to conclude that traditional management methods, based mainly on determination of tasks and aims, control for their conduct, are not enough. One finds at the enterprises that in site attempts, managers don’t always achieve set targets and are not able to define the main factors, influencing this. Whether aims were set in the right way, or changes in environment were unexpected, that blocked necessary results achieving [9].

An urgent example of value chain constructing in the context of development strategy change is Japanese electronics producer Sony. It supposes that key to the profit active growth is more limited production specialization. Sony claimed that it wouldn’t continue to work in business spheres, where stiff competition puts company in a disadvantage position. Smartphones are examples. Last time Sony tried to compete with Samsung and Apple and also with producers of low-budget smartphones, such as Huawei and Xiaomi, in premium-segment [10]. Although Sony produces smartphones and TV-sets, however it may happen that this company will leave market in these spheres. It is possible that parallel or partnership positions will become urgent for these subdivisions. General Director of the company Sony Kazuo Hirai divided company into three sectors: “growing drivers”, “producers of stable profit”, and un-profitable spheres were put into special sector “management of volatility”. This subdivision includes television and mobile connection. These enterprises work at the markets, which are characterized by high volatility and complicated competition. Sony will try to limit capitalization of those directions and business structures, which are able to provide stable profit, while selecting prior production spheres for company. “Division of assets doesn’t mean their selling or leaving business. Our goal is to increase independence of each subdivision. Besides, thus we develop managerial qualities of our managers. We wish that managers in departments feel themselves more enterpreneurs, than middle managers in huge corporation” [10], – K. Hirai said. Last statement concerning transformation of heads in subdivisions into entrepreneur status means localization of value chains within these subdivisions, initially main activity types that probably will cause “harassment”of supplies chains.

German industrial concern Daimler AG has its history of inefficient management, 20 years of chaos, and errors in strategic management. Tragedy of Daimler has a lot of dimensions [11]. In the middle 80s and 90s last century main managers fell for macromania and bumptiousness. Managers received tasks which went beyond their competence, and they were not directed to those spheres, which have been already checked; supervisory council perform its duties concerning negligent control, westefullness, ignoring of warns about loss etc. It was wonder that Mercedes survived. Since 2010 cooperation between Daimler and alliance Renault-Nissan gained grounds, having long-term and stable plans for future. Today it
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has 12 projects, realizing in Europe, Asia and North America. As for value chain theory we have to consider that they were greatly rebuilt every time both in the sphere of main activities types and in the sphere of additional activity types. It caused great changes in supplies chain structure. In both examples domination of business-aims concerning increase of assests profitability, enterprise value is obvious, although mentioned above “soft” factors-values are “in the shadow”, characterizing enterprise with deflationary activity.\(\text{at the same time there are a} \) lot of examples at the mature markets on the part of global firms: Unilever\([12]\); Walt Disney Company \([13, p. 117]\), Wegmans Food Markets \([13, p. 119]\); IBM \([13, p. 126]\) to solve social problems (poverty), to introduce healthy way of life; Du Pont, Wal-Mart, Timberland \([13, p. 146]\) concerning ecologization of impact on the environment. Such trend becomes urgent for developing markets, if fight with poverty is meant (China, India) \([13, p. 132]\). Managing by values is of high priority and for Ukrainian enterprises, because it may be main power to renew stable and competitive culture, from the words of the leading partner Business Engineering Bureau M. Chernenko. It points that it is necessary to introduce innovativeness not only into products and/or service, but to the management system, in order to create global competitiveness of the Ukrainian companies \([14]\). It gives original hierarchy os enterprise management systems by five levels, which authors tried to determine (Table 1).

\textit{Table 1} – Description of the enterprise management systems
(investigated by authors on the basis of \([14]\))

<table>
<thead>
<tr>
<th>Title</th>
<th>Essence</th>
<th>Life cycle period (internal environment)</th>
<th>Economy state (external environment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing by tasks</td>
<td>Worker faces the task: what and when he must perform; task performance is controlled; worker doesn’t know aims of activity, there is no initiative from his part</td>
<td>Stage to create organization (founder’s individual decisions are characterized, there is no powers delegation)</td>
<td>Stable/ deflationary</td>
</tr>
<tr>
<td>Management process</td>
<td>Administration explains conducting processes, agrees them by time, resources and execution sequence, sets factors of operations and processes performance. Performers conduct operations according to standing orders, and administration controls processes results</td>
<td>Growing stage (improvement of processes and their control, standing orders of operations is formed, basic valuables are developed, including controllability and customers centrity)</td>
<td>Stable/ deflationary</td>
</tr>
<tr>
<td>Normative management</td>
<td>Administration investigates and implements rules for work and interconnection between workers, subdivisions, which are beyond processes (schedule, rules of conduct, mutual duties, criteria of motivation and encouragement, company’s condex)</td>
<td>Growing stage (processes frequency is provided, their integrality, stability, controllability, activity strategies and basic valuables are improved – controllability and customer centrity)</td>
<td>Stable</td>
</tr>
<tr>
<td>Managing by aims</td>
<td>Organization has strategic aim, it is decomposed into subaims of subdivisions or processes, to special performers</td>
<td>Mature stage (worked rules, performers get enough freedom in selforganization and development, in improvement of processes, rules and valuables)</td>
<td>Stable</td>
</tr>
<tr>
<td>Management by values</td>
<td>Workers share joint valuables, new valuables are developed, such as “proactivity” at the market, innovativeness, teamness, trust, obligatoriness, mania for work</td>
<td>Mature stage (new leading valuables are created, i.e. those which provide company with progress, give breaking power, advance, leadership at the market etc. New rules and conduct norms are formed due to the created valuables)</td>
<td>Deflationary/ stable</td>
</tr>
</tbody>
</table>
One can not agree with the fact that there are intermediate levels of the management systems, however there mustn’t be doubts concerning initial level presenting, managing by tasks as the most widespread and final level, managing by values as perspective future. At the same time this level of the management system requires adequate “maturity”, improvement.

Process of the managing by values introduction can be divided into the following stages:
1. Coordination of values, which are of great importance for the whole organization, i.e. for its all workers.
2. Formation of mission, viewing and strategy considering coordinated values.
3. Propagande of the coordinated values, investigated mission and organization strategy in the company and macromedia [15, p. 35].
4. Construction, deconstruction and reconstruction of the value chain, activity and organizational structure according to the accepted mission and strategy, based on the kept values.

Let’s interprete mentioned above stages. Development of the values “package”, due to which performance of operations, acts, processes, spheres in strategic, tactic and operational dimensions, is foreseen. Such package base may be human macrovalues of high importance, which include low life quality, poverty, environment protection, local permanent wars, according to the marketing concept 3.0 by Kotler [13, p. 4-5]. Enterprises and organizations can base their business-model on such grounds. It is obvious that abilities of any organization concerning functions can be limited in relation to one directions and prespective concerning other ones, due to accepted values package. Particularly, according to the sustainable development conception, which foresees harmonization of social, economic and ecological aims, we have to admit that various epidemies are possible, poverty is increased, and environment continues to be degenerated and collapsed. On the one hand, proactive socially and ecologically oriented policy of the enterprise is possible through expected achievement of economic aims, which is located in report plane between customers’ satisfaction after proper value and their expenses. That’s why it is important to estimate efficiency of spent money both on the part of customer, and on the part of the accepted values.

The second and third stage is reasonably to perform due to typical strategic management, keeping additional limits, caused by the outlined values implementation at all management levels. As for the forth stage it is suggested to use matrix of processes division in coordinates “value addition × extraction possibility” (Fig. 1).

![Matrix of the processes classification in the value chain](developed by authors)

Analysis of the value chain allows to find places and processes at the enterprise, which may influence the ability to achieve competitive advantages. The source of this advantage may
be changes in production features, processes and ways to run business, which will lead to costs decrease or to give unique features to activity types or products. Porter divides actions in the value chain into main and additional. Processes are classified as those which create value add, and those which do not create it. The task consists in desposing of more actions, which do not create value add. It is possible through reengineering of product or process design.

It is also necessary to observe possibility to replace functionally substitutional actions. In the last case substitution is defended, when functional abilities of elements (actions) are supported or strengthened by production price decrease. In this context the suggested matrix allows to deepen processes division considering possibilities on their extraction, transformation or replacement. It causes two more processes appearing: first add value mediatelly, the second – direct squandering.

Good example of managing by values system is modern development policy Mercedes-Benz, stated in “Standards of Business Conduct” and based on corporation values. The Principles Codex, accepted in 2012 is in the base of values, among which are human rights, property protection, public responsibility. The lat one is central part of the Integrity Code [16].

Managing by values allows enterprise to develop under crisis conditions. As an example let’s take Kharkiv company “Aris”, which produces polymer package since 2005, and in crisis 2009 it continued to develop faster (add-on sale tempos: 2009 –76%, 2010 – 96%, 2011 – 180%, 2012 – 256%, 2013 – 309%), and in 2014 it creates new directions in business and started to build own factory [17]. It happened owing to company director Yevgen Tytarenko, who introduced managing by values: trust and respect of customers, business partners, workers; proactivity (advancing and foreseeing of customers’ expectations); to present forthcoming manner and smiling to customers and partners, to raise spirit; openness and simplicity; efficiency (owing to high worker’s professionalism and proper attitude to their duties conduct), dedication (dedication brings joy and allows to reveal its creative potential).

Managing by values is not complicated concept, but it is difficult to be introduced at the enterprise through the following factors impact:

– extremely high demands to workers, to which they do not get used;
– necessity to develop and to strengthen conduct norms according to set values;
– necessity to seek wide recognition and to use coordinated starts in organization;
– necessity to develop fines system for departure from the conduct according to established values and standards [18, p. 111].

There is a question, how world business-environment is ready to give the highest rank to human values and to form proper management systems of managing by values. Let’s take Index Report 2013 [18].

Index Report 2013 [19], which is research project abstract, realized in 13 countries and which comprised 4300 companies in 14 branches. The studied selection is about 23 000 asked respondents. 360 companies participated in research in Poland (Fig. 2).

Report demonstrates that values concerning customers have the highest rating (quality, innovativeness, customer’s satisfaction – over 30%). At the same time human values, identified by the social responsibility, attitude to environment, trust and sensitivity in relations take lower positions (10-15%). It is particular both for world economy and Polish economy.

Obviously that managing by values is just at the stage of “childhood”. One can expect that the most difficult processes concerning managing by values system implementation are processes, connected with workers’ every day duties, their routine actions. Particularly, one can imagine in the simplest view, that managing by values is based on the human dignity and behavior due to values as criteria to accept social values by this human. The enterprise has to
create such environment where conflict can be solved between two contradictions: worker’s attempt to get benefit and his attempts to dignity. Personal dignity feeling is one of the most important human needs, but not always cognized.

![Figure 2 – Comparative description of the most important values in international companies and enterprises in Poland](image)

Conflict between personal benefit (e.g., fewer attempts at work”) and conduct, which corresponds to values (e.g., high political commitment of customers”), may be determined as temptation situation, which confronts a person with alternative: either benefits, or values. Achievement of the personal benefit owing to moral values and conduct by values lead to advantages loss [19, p. 30].

Creation of value, however doesn’t guarantee success. Not least important is to work for value keeping, and avoiding the squander. It is necessary to support managing by values to involve capital, effective resources distribution, improvement of the money and tax responsibilities management systems, effective control of risks, knowledge and human capital.

Conclusions and perspectives for further research.
1. Convergent bases of value and supplies chains are identified.
2. Besides dimensional factors, value chain is influenced by indirect (mediately) factors. This tendency is especially increased in the modern business-environment, when managing by enterprise aims is substituted by managing by values.
3. Experience of the leading world companies testifies close correlation between strategy, chosen by enterprise, enterprise life cycle and necessity to perform deconstruction and reconstruction of the value chain, which are tools in the effective value chain construction.
4. Realization of the procedure value chain “construction – deconstruction – reconstruction” has to be generalized by polycriterial estimation of the supplies chain concerning its productivity in customers’ service aspects, income (prodit) generating,
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elasticity, innovativeness, business correspondence to human values.

5. The perspective of further studies is to use domestic marketing principles to form organizational culture, which could guarantee useful effect either for every worker, or for enterprise at a whole and make possible to use managing by values at the enterprise.


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