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Regulatory Policy of the Entrepreneurship Development as a Dominant of Economic Security of the National Economy

Liudmyla Verbivska[1*], Volodymyr Lagodiienko[2], Svitlana Filyppova[3], Oleksandr Papaika[4], Oleksandr Malin[5], Yurii Neustroiev[6]

[1] Department of Entrepreneurship, Trade and Stock Market Operations, Yuriy Fedkovych Chernivtsi National University, Chernivtsi 58012, Ukraine
[2] Department of Marketing, Entrepreneurship and Trade, Odessa National University of Technology, Odessa 65039, Ukraine
[3] Institute of Economics and Management of Odessa Polytechnic National University, Odessa 65044, Ukraine
[4] Ukrainian Federation of Professional Accountants and Auditors, Kyiv 04053, Ukraine
[5] Department of Accounting, Analysis and Auditing, Institute of Economics and Management of Odessa Polytechnic National University, Odessa 65044, Ukraine
[6] Department of Economic Theory and Financial and Economic Security, Odessa National University of Technology, Odessa 65039, Ukraine

Corresponding Author Email: l.verbivska@chnu.edu.ua

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ABSTRACT

The regulatory policy of entrepreneurship development is aimed at creating favorable conditions for increasing competitiveness and the role of entrepreneurship in the economic system by applying a set of state regulatory measures aimed at improving the quality of public administration through the formation of a legislative space for the successful functioning and development of entrepreneurship, which, in turn, acts as a dominant economic security of the national economy. The purpose of this article is to study the influence of the regulatory policy of entrepreneurship development on ensuring the economic security of the national economy by determining the level of development of innovative entrepreneurship in the region. An analysis of the state of entrepreneurship in Ukraine was carried out, on the basis of which the main development trends, factors that influenced their formation, as well as directions for improving regulatory policy in the context of ensuring economic security of national security were determined. It has been proven that the focus of entrepreneurial structures on innovative activities will contribute to increasing competitiveness and profitability, which in turn will improve the life of the population, strengthen the economic position of the middle class, and therefore ensure the economic security of the national economy. Within the framework of the article, a methodical approach to the assessment of the development of innovative entrepreneurship in the regions of Ukraine is proposed, which makes it possible to carry out methodologically correct comparisons of the levels of development of the regions at the meso-level both by the complex indicator and by its individual components. The authors grouped and ranked the regions according to a comprehensive indicator and identified the leading regions, regions with an average level of development of innovative entrepreneurship, and outsider regions. Recommendations for overcoming the identified disparities are provided.

1. INTRODUCTION

Regulatory policy in the field of entrepreneurship is an integral part of the complex of state regulation of its development, aimed at improving the quality of public administration through the formation of legislative space for the functioning and development of entrepreneurship, as well as creating favorable conditions for its intensity, competitiveness and the role in the economic system. At the present stage of the market relations spread, the development of entrepreneurship in Ukraine depends on a large number of factors that affect the formation of a competitive environment. The process of the formation of state regulatory policy, consistency and their implementation affect the improvement of entrepreneurship and the application of measures aimed at this. As you know, market economy is characterized by a permanent change of cycles: The stage of recovery and intensive development is changed by the crisis stage, accompanied by a sharp decline in economic development, increasing the share of unprofitable companies in entrepreneurship and more. Based on the above, it can be concluded that one of the reasons for the instability of this sector of economy is imperfect and ineffective regulatory policy in the field of entrepreneurship. This situation has a negative impact on economic security of the national economy. In modern economic conditions, entrepreneurship itself forms the middle class of a country, which in turn is the basis of its economic system, stability and security. Against this background, permanent instability of environmental factors that characterize market conditions of economic systems has a

negative impact on most domestic enterprises and threatens economic security. In view of the above, there is a need to study and improve the regulatory policy of entrepreneurship in our country to ensure economic security of the national economy. This explains the relevance of the chosen research topic and the formulation of its purpose.

The purpose of this article is to study the impact of regulatory policy of business development on economic security of the national economy by determining the level of development of innovative entrepreneurship in the region.

2. LITERATURE REVIEW

Research by leading domestic and foreign scientists is devoted to issues of regulatory policy and various aspects of entrepreneurship development. These areas, as well as the issues of innovative development, economic security and development of the national economy, are highlighted in the scientific works of such authors, including: Abramova et al. [1], Bakhov et al. [2], Boiarynova et al. [3], Djumadi and Abdul [4], Dubyna et al. [5], Feofilova et al. [6], Filyppova et al. [7], Grigoraș-Ichim et al. [8], Gubarieva [9], Gulnazym and Marat [10], Hnatkovych et al. [11], Hobela [12], Karpenko and Filyppova [13], Kholiavko et al. [14], Kosach et al. [15], Kravchenko et al. [16], Lagodiienko et al. [17], Li et al. [18], Marhasova et al. [19], Martinez et al. [20], Mudrak et al. [21], Popelo et al. [22], Pushak et al. [23], Revko et al. [24], Shaposhnykov et al. [25], Tang et al. [26], Tulchynska et al. [27, 28], Viknianska et al. [29], Zhavoronok et al. [30, 31], Zhetpisbayeva et al. [32], Zybareva et al. [33] and other.

Tang et al. [26] have proven that business regulation stimulates financial development and neutralizes negative effects of natural resources on financial development. The authors argue that this is extremely important for sustainability of financial development.

Hnatkovych et al. [11], possibilities of international business to implement projects for the extraction of natural resources through border areas and under different conditions in the framework of cross-border cooperation are considered. The authors proposed a model for finding opportunities to invest in the development of natural energy resources on a parity basis, as well as the formation of an integrated environment.

Martinez et al. [20] proposed a system for regulating business development, which will be useful for improving environmental policy and allow companies to improve their business strategy, which will help meet environmental standards to effectively address current environmental problems and promote sustainable development.

Li et al. [18], the role of business incubators in business development is analyzed. The authors prove that business incubators play an effective intermediary role in providing network services, capital support and training programs for individuals and entrepreneurs that are important for business development. It is substantiated that state regulations on entrepreneurship have a direct impact on its development and a positive mitigating effect between business start-ups and business development.

Bakhov et al. [2], Feofilova et al. [6], Karpenko and Filyppova [13] argue that the problem of ensuring the national economic security is common to all countries. Chains of causation that demonstrate threats to national security, preservation of its sovereignty and territorial integrity are demonstrated. Researchers have found that the lack of innovation in the regulation of economic relations and governance calls into question the country's ability to provide the desired level of economic security.

Hobela [12] is based on the analysis of the impact of offshoring on the national economic security and the development of means of the economy deoffshorization. The authors identified the main threats to offshoring for economy and economic security. Scientists have developed the basic means of deoffshoring the Ukrainian economy and ensuring economic security.

Gubarieva [9], a model structure of strategic planning of economic security of the national economy is proposed, which includes 8 levels: The main goal, the scope of economic security of the national economy, threats, concept, strategy, program, plan, measures. The authors argue that the developed model of strategic planning of economic security of the national economy allows to model the main processes of strategic planning, diagnose changes in the external and internal environment and make management decisions.

Djumadi and Abdul [4] is to determine the role of the state in the regulation implementation of business development and analysis of the implementation of economic democracy through partnership models. The authors propose a Partnership Program that will promote partnerships between entrepreneurs and large multinational corporations.

Shaposhnykov et al. [25], Zhavoronok et al. [31], Zhetpisbayeva et al. [32] that small and medium business plays a significant role in economy of any country with a market economy. The authors believe that in transformational, transition economy, the role of small and medium-sized businesses is often indispensable in solving the most acute economic and social problems. Without requiring significant costs from the state, small and medium-sized businesses, as a phenomenon, stabilize social situation in the country, solving problems related to social tensions and employment.

Of practical importance are the studies of scientists [17, 30], which are dedicated to the study of the peculiarities of the management of foreign economic activities of enterprises and the role of digital technologies in the transformation of regional models of the national innovative economy.

Dubyna et al. [5], Gulnazym and Marat [10], Kholiavko et al. [14], Zhavoronok et al. [30], modern economy, being a constantly changing environment, requires the state to pursue a dynamically changing economic policy in the field of the small business support. The authors analyze the state measures to support small and medium enterprises, which are implemented in different countries. Methods of tax incentives are determined, and the functions of the state in the field of business regulation are considered.

However, despite a significant amount of scientific work on this topic, regulatory policy of the business development from the standpoint of its significant impact on the economic security of the national economy requires further research and analysis.

3. METHODOLOGY

In the process of preparing and writing this study, such general scientific and specific methods as analysis and synthesis, systematization and generalization were used (to understand and distinguish approaches to the essence of regulatory policy); statistical and statistical analysis (to present

the main indicators of business development in Ukraine and identify trends and issues in this area); graphic (for a visual presentation of the system of regulatory policy of business development in the context of economic security of the national economy and its directions; changes over time indicators that characterize the state of business development in Ukraine); economic and mathematical modeling (to assess the development of innovative entrepreneurship in the region).

In order to assess the level of innovative entrepreneurship, we propose to use the following methodology, which consists of the following stages:

1. Selection of the indicators system that characterize the level of the innovative entrepreneurship development in the region;

2. Distribution of selected indicators into stimulants (those that have a positive impact) and disincentives (those that have a negative impact) on the level of the innovative entrepreneurship development in the region;

3. The level of the innovative entrepreneurship development for indicators of stimulants will be determined as follows:

$$S = \frac{S_{fact}}{S_{\max}} \quad (1)$$

where, S_{jm}: level of the innovative entrepreneurship development in the region according to the *j-th* indicator stimulator; S_{fact}: actual value of the indicator of innovative entrepreneurship in the region; S_{max}: maximum value of the indicator of innovative entrepreneurship in the region.

4. The level of the innovative entrepreneurship development in the region for indicators of disincentives is defined as:

$$S_{jm} = \frac{S_{\min}}{S_{fact}} \quad (2)$$

where, S_{jm}: level of the innovative entrepreneurship development in the region on the *j-th* indicator destemulator; S_{min}: minimum value of the indicator of innovative entrepreneurship in the region.

5. To determine the complex indicator of innovative entrepreneurship in the region, we use the following formula:

$$RS_{jm} = \sqrt[n]{\sum_{k=1}^{n} X_{jk}} \quad (3)$$

where, X_{jk}: standardized indicator of innovative entrepreneurship of the region for the j-region; B_n: number of indicators being studied.

Today's realities clearly testify that the choice of the vector of integration is extremely important for Ukraine, first of all, involvement in the world carriers of modern civilized progress, best practices in the effective use of intellectual potential, large-scale involvement and mastering of new technologies, development of knowledge-intensive industries, activation of innovative activities. This actualizes a number of imperatives to prioritize the development of the national economy in accordance with the directions of qualitative changes in the regional structural policy.

The proposed methodology for determining the level of development of innovative entrepreneurship in regions makes it possible to carry out methodologically correct comparisons of the levels of development of regions at the meso-level both by a comprehensive indicator and by its individual components, creating scientific support for making management decisions aimed at activating the development of innovative entrepreneurship as a dominant factor in the economic security of the national economy.

4. RESULTS

Achieving the goal of this study requires first of all to clarify the understanding of the essence of the regulatory policy concept in the field of entrepreneurship. The analysis of scientific sources indicates that at the present stage of development of economics, this category does not have a single approach to its interpretation and is considered by researchers on this issue from different perspectives (legal, managerial and economic). It should be noted that these approaches do not contradict each other and there is a certain interconnectedness. Thus, the legal approach indicates, first of all, that regulatory policy is a system of measures used by the state to carry out regulatory activities of the leading components of entrepreneurship and its development through the tools and means of regulation. At the same time, the implementation of regulatory policy by the state is not possible without the use of management processes and procedures. In this part there is an economic component of the regulatory policy implementation in the field of entrepreneurship.

Based on the above, there is a systematic vision of all these approaches to understanding the essence of regulatory policy of entrepreneurship and its implementation (Figure 1).

Systematization of the approaches to essential understanding of regulatory policy is associated with the inseparable direction of state regulation of this area of the national economy.

Thus, regulatory policy of the business development is a direction of state regulation of this area, which should improve the quality of management on such various components as economic, legal and so on. Thus, there is a relationship between the goal achievement of creating a high-quality regulatory policy for the enterprise development and the need to ensure quality government regulation in this sector. Based on the above, as well as analysis of scientific sources on this topic, regulatory policy of entrepreneurship should be understood as a component of the state regulation of this sector development of the national economy, which is a key to improving the quality of public administration in this area, its management by the authorities and local governments, creating conditions conducive to the intensification of the business sector and increase its role in the economic system, increase competitiveness, ensure economic security and balance of structural elements of entrepreneurship in Ukraine. Based on this opinion, the authors formulated and clearly depicted the system of regulatory policy for the business development, taking into account economic security of the national economy (Figure 2).

In accordance with the Economic Code of Ukraine [34], the conditions, volumes, spheres and procedure for the application of individual means of state regulation of business activity are determined. The main means of regulatory influence of the state on business entities are: state order and state task; licensing, patenting and quotas of certain types of business activity; certification and standardization. Statistical data, scientific research data and the results of social surveys can be used to track the effectiveness of regulatory acts.

Implementation of measures to monitor the effectiveness of the regulatory act is ensured by the regulatory body.

The report on monitoring the effectiveness of the regulatory act specifies: Quantitative and qualitative values of performance indicators; data and assumptions on the basis of which performance is tracked; used methods of obtaining tracking results. In this study, the authors took into account statistical data that are freely available and characterize the development of entrepreneurship as a whole and its innovative activity in particular.

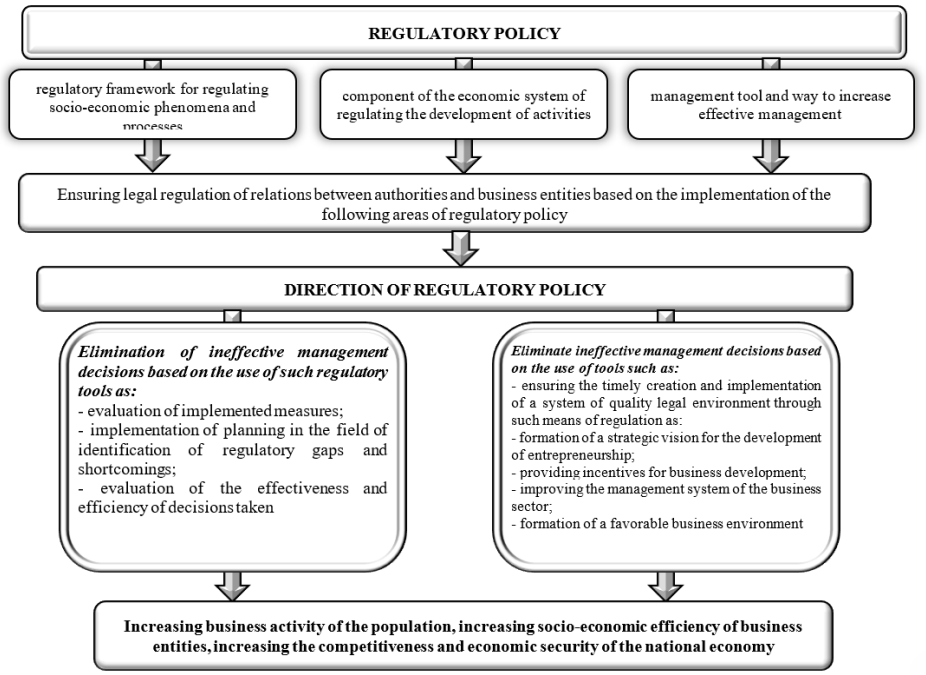

Figure 1. Approaches to understanding regulatory policy and its direction
Source: Generated by the authors

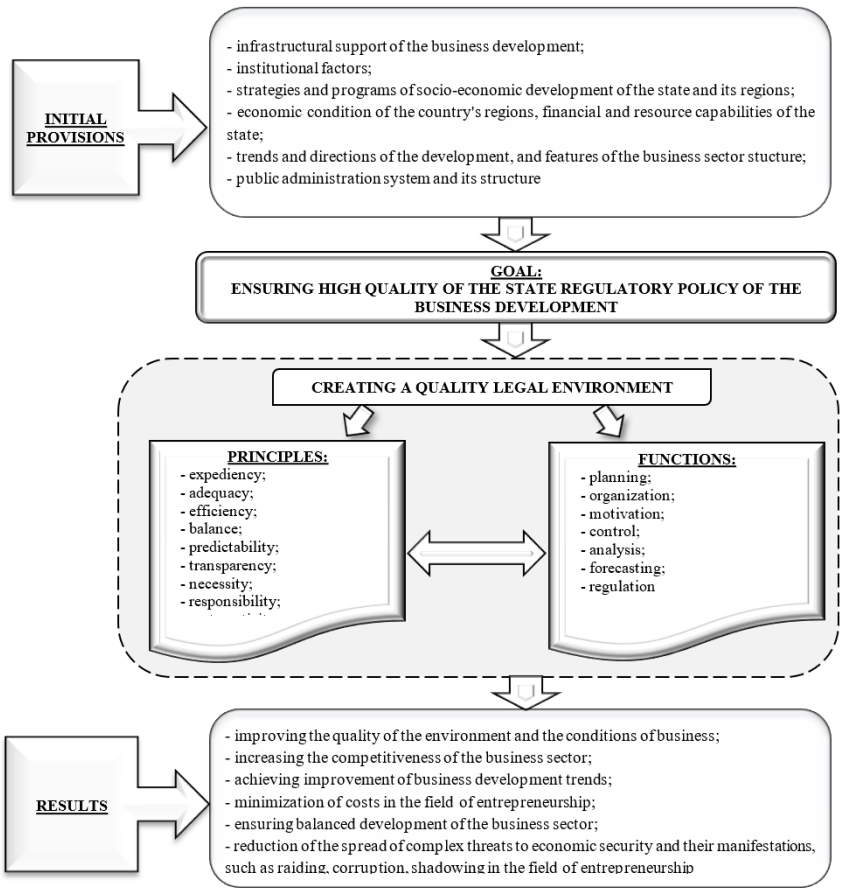

Figure 2. The system of regulatory policy for the business development in the context of ensuring economic security of the national economy
Source: Generated by the authors

Table 1. Main indicators of the business development in Ukraine

Indicator	2016	2017	2018	2019	2020	2020/2016	2020/2019
Number of operating entities, units							
Total	1865631	1805144	1839672	1941701	1973652	105,8	101,6
Enterprises	306470	338341	355956	380673	373897	122,0	102,5
Individual entrepreneurs	1559161	1466803	1483716	1561028	1599755	102,6	101,0
Number of employees, thousand people							
Total	8244,0	8271,3	8661,4	9145,5	9057,1	109,9	99,0
Enterprises	5936,8	5943,2	6088,4	6535,2	6491,3	109,3	99,3
Individual entrepreneurs	2307,2	2328,1	2573,0	2610,3	2565,8	102,5	98,3
Number of hired, thousand people							
Total	6597,5	6706,2	7088,8	7418,8	7379,6	111,9	99,5
Enterprises	5849,6	5844,9	5999,5	6369,6	6413,6	109,5	100,7
Individual entrepreneurs	748,0	861,3	1089,3	1049,2	966,0	129,1	92,1
Staff costs, UAH million							
Total	477294,0	620357,3	790691,4	970688,3	1061844,0	222,5	109,4
Enterprises	456610,4	595421,9	759065,0	939555,2	1032618,0	226,1	109,9
Individual entrepreneurs	20683,6	24935,4	31629,4	31133,1	29226,0	141,3	93,9
Volume of sold products (goods, services), UAH million							
Total	6877077,3	8467031,9	10148847,1	10725442,9	11285578,9	164,1	105,2
Enterprises	6387872,7	7862695,2	9388092,1	9841060,7	10273152,6	160,8	104,4
Individual entrepreneurs	489204,6	604336,7	760755,0	884382,2	1012426,3	207,0	114,5

Source: Formed by the authors on the basis of data from the State Statistics Service of Ukraine [35]

Against the background of the above and in accordance with the purpose of this research, the need to achieve the state and development of entrepreneurship in the context of its impact on economic security of the national economy is of great importance. The basis for such a study in Ukraine is statistical data, the analysis of which allows us to conclude that there is a lack of stability in entrepreneurship and unrealized socio-economic potential, one of the key reasons for which we see low efficiency of regulatory policy in this sector. Thus, as of 2020, there were 373,897 units of enterprises and 1,599,755 units of natural persons-entrepreneurs operating in the country (Table 1).

Such figures indicate a relatively low level of activity of business structures, as in terms of thousands of people, they indicate a lower number compared to both developed countries and countries with average economic development.

During the period under study (2016-2020), there is a slight fluctuation in the number of business entities (Figure 3), which is a positive moment in the entrepreneurship development, but there is a clear lack of stable growth in their number over the years, indicating the existence of a number of problems and factors that led to this situation.

Among the main ones are the following external factors: lack of stability in both economic and political spheres, imperfection of legal support of economic activity, functioning of business structures in high risk, lack of various resources, including financial and investment and limited access to them, as well as many factors of the internal environment: lack of highly qualified workers, unavailability of loans and investments, high barriers to starting your own business. This situation, in turn, leads to negative trends in terms of both the number of employers and employees, which is especially noticeable in the last years of the period under study (Figures 4-5).

Thus, the number of employees of individual entrepreneurs decreased by 7.9%, while the number of enterprises remained almost unchanged. We see in this situation a decrease in the social impact of entrepreneurship on the domestic economic system.

Among positive trends in the entrepreneurship functioning should be noted an increase in sales of goods (goods, services), which over the past five years increased by 11.9%, enterprises - by 9.5%, and individual entrepreneurs - by 29.1% (Figure 6).

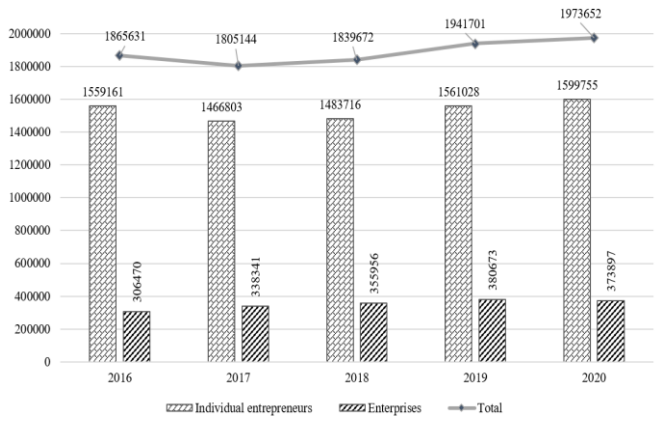

Figure 3. Dynamics of the number of operating entities in Ukraine, units

Source: Generated by the authors on the basis of data from the State Statistics Service of Ukraine [35]

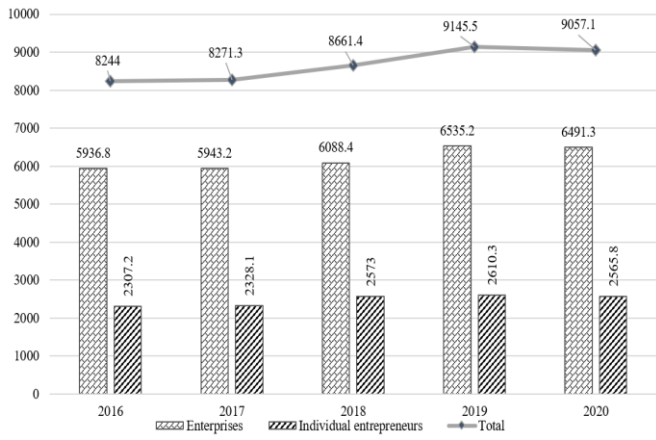

Figure 4. Dynamics of the number of employees in the business sector in Ukraine, thousand people

Source: Generated by the authors on the basis of data from the State Statistics Service of Ukraine [35]

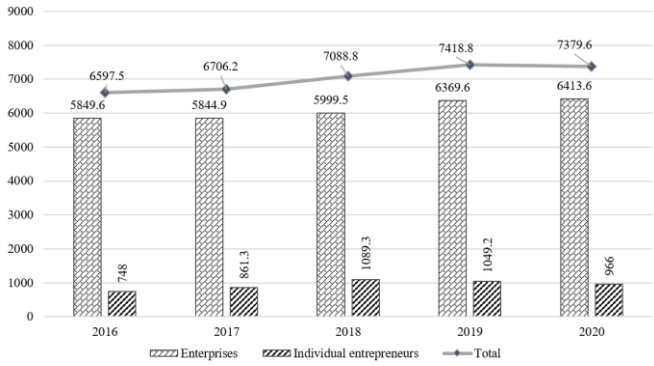

Figure 5. Dynamics of the number of hired in the business sphere in Ukraine, thousand people
Source: Generated by the authors on the basis of data from the State Statistics Service of Ukraine [35]

However, a more detailed analysis indicates that the increase in sales of goods (goods, services) in terms of individual entrepreneurs has remained steadily lower over the past five years than in enterprises. Thus, in 2020, the sales sector in the enterprise sector amounted to UAH 10,273,152.6 million, and in the individual entrepreneurs' sector – UAH 1,012,426.3 million. These data indicate a higher level of stability and sustainability in the functioning of enterprises than entrepreneurs. This aspect should be taken into account when implementing the process of improving domestic regulatory policy in the field of entrepreneurship, which will help achieve balance in the functioning of enterprises and entrepreneurs, intensify the activities of natural persons-entrepreneurs, and further strengthen the market position of enterprises.

In order to improve the functioning and further accelerate the development of entrepreneurship, it is important to involve its representatives in the latest developments, innovative products, services and more. Currently, the introduction and subsequent generation of innovations allows business structures to increase their innovation activity, increase and strengthen competitiveness, market positions, increase profitability, which in general will have a positive impact on the welfare of the country and their regions. Thus, the formation, operation and development of innovative entrepreneurship will contribute to ensuring economic security of the national economy.

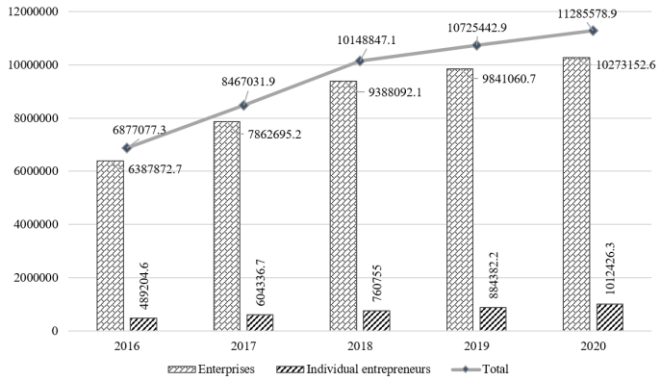

Figure 6. Dynamics of the volume of sold products (goods, services) in Ukraine, UAH million
Source: Generated by the authors on the basis of data from the State Statistics Service of Ukraine [35]

Table 2. Indicators of the level of the innovative entrepreneurship development, 2020

Region	Share of enterprises engaged in innovation activities	Cost indices for innovation activities	Share of enterprises that have implemented innovation processes	Share of enterprises that have introduced innovative products	Share of enterprises that sold innovative products	Share of sold innovative products
Vinnytsia	0,74	0,78	0,84	0,69	0,85	0,79
Volyn	0,63	0,67	0,71	0,55	0,71	0,47
Dnipropetrovsk	0,71	0,66	0,89	0,91	0,59	0,56
Donetsk	0,68	0,49	0,61	0,60	0,69	0,59
Zhytomyr	0,55	0,51	0,48	0,50	0,73	0,81
Transcarpathian	0,37	0,84	0,86	0,42	0,49	0,54
Zaporizhzhia	0,91	0,94	0,46	0,93	0,59	0,51
Ivano-Frankivsk	0,41	0,92	0,68	0,88	0,91	0,63
Kyiv	0,41	0,56	0,84	0,47	0,53	0,54
Kirovohrad	0,85	0,81	1,00	0,68	0,91	0,95
Luhansk	0,57	0,76	0,91	0,86	0,43	0,57
Lviv	0,75	0,31	0,57	0,47	0,93	0,64
Mykolayiv	0,53	0,58	0,85	0,65	0,87	0,82
Odesa	0,61	0,89	0,33	0,71	0,41	0,58
Poltava	1,00	0,87	0,84	0,87	0,85	0,91
Rivne	0,50	0,79	0,42	0,63	0,77	0,41
Sumy	0,32	0,69	0,40	0,45	1,00	0,87
Ternopil	0,88	0,61	0,59	0,37	0,67	1,00
Kharkiv	0,95	1,00	0,78	1,00	0,62	0,65
Kherson	0,63	0,37	0,81	0,85	0,75	0,63
Khmelnytsky	0,29	0,39	0,53	0,57	0,51	0,37
Cherkasy	0,46	0,71	0,76	0,82	0,93	0,79
Chernivtsi	0,77	0,45	0,38	0,73	0,81	0,43
Chernihiv	0,79	0,47	0,97	0,77	0,95	0,80

Source: Calculated by the authors on the basis of data from the State Statistics Service of Ukraine [35]

Table 3. Distribution of regions according to the complex indicator of innovative entrepreneurship

Region	Comprehensive indicator of innovative entrepreneurship	Rank
Group 1		
Sumy	2,62	1
Kharkiv	2,31	2
Kirovohrad	2,28	3
Poltava	2,24	4
Group 2		
Chernihiv	2,18	5
Vinnytsia	2,16	6
Cherkasy	2,12	7
Ivano-Frankivsk	2,10	8
Dnipropetrovsk	2,08	9
Zaporizhzhia	2,07	10
Mykolayiv	2,06	11
Kherson	2,05	12
Ternopil	2,03	13
Luhansk	2,02	14
Group 3		
Volyn	1,93	15
Lviv	1,92	16
Donetsk	1,90	17
Zhytomyr	1,89	18
Transcarpathian	1,88	19
Odesa	1,87	20
Rivne	1,86	21
Chernivtsi	1,85	22
Group 4		
Kyiv	1,72	23
Khmelnytsky	1,63	24

Source: Calculated by the authors on the basis of data from the State Statistics Service of Ukraine [35]

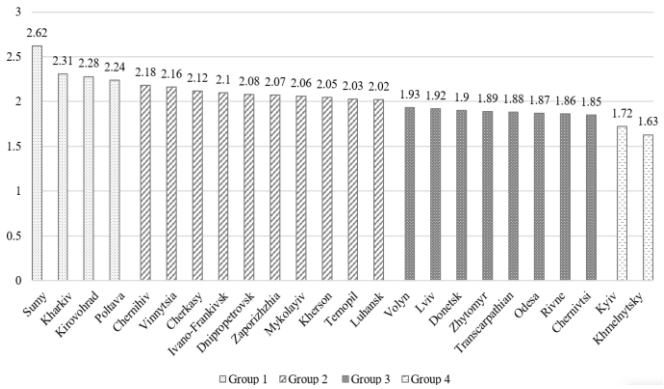

Figure 7. Value of the complex indicator of the innovative entrepreneurship development in Ukraine's regions, 2020
Source: Calculated by the authors

In accordance with the first point of the proposed methodology, we form a system of indicators to assess the development of innovative entrepreneurship in the region: the share of industrial enterprises engaged in innovation in the total number of industrial enterprises in the region; cost indices for innovation activities of industrial enterprises in the regions; share of enterprises that have implemented innovation processes in the total number of innovation enterprises in the region; share of industrial enterprises that have introduced innovative products in the total number of innovative industrial enterprises; share of enterprises that sold innovative products in the total number of innovative industrial enterprises; share of sold innovative products (goods, services) in the total volume of sold products (goods, services) of enterprises in the region.

Determining the level of the innovative entrepreneurship development in the region according to certain indicators, calculated according to formulas 1 and 2, is given in Table 2.

Using formula 3, we calculate a complex indicator of innovative entrepreneurship in the region (Table 3, Figure 7).

Based on the results presented in Table 3, there is an asymmetry in the development of innovative entrepreneurship in the region, and it is proposed to divide the regions of Ukraine into four groups. The first group of the leading regions includes four such regions as Sumy, Kharkiv, Kirovohrad and Poltava. For such regions, it is recommended to apply a system of measures to support innovation activity in order to maintain the level already achieved. The second group (regions with a high level of innovative entrepreneurship) includes ten such regions as Chernihiv, Vinnytsia, Cherkasy, Ivano-Frankivsk, Dnipropetrovsk, Zaporizhia, Mykolaiv, Kherson, Ternopil, Luhansk. These are regions that are not using their existing potential, so efforts need to be made to overcome this problem. The third group (regions with an average level of innovative entrepreneurship) includes such regions as Volyn, Lviv, Donetsk, Zhytomyr, Transcarpathian, Odesa, Rivne, Chernivtsi. In order to intensify the innovative entrepreneurship development in these regions, it is necessary to implement various innovations. The fourth group (regions with a low level of innovative entrepreneurship) consists of Kiev and Khmelnytsky regions. These outsider regions are characterized by low rates of the innovative entrepreneurship development; to improve their condition it is necessary to increase the number of innovative products of enterprises.

Taking into account the asymmetry of the development of innovative entrepreneurship, it is worth noting the proposals for improving the state regulatory policy of the development of entrepreneurship in Ukraine, namely:

- the introduction of strategizing, namely the formation of a system of state support for the development of entrepreneurship, specifying the basic elements and their

institutionalization;

- activation of the function of initiating new regulatory decisions with the active involvement of business representatives and associative business structures;
- development and implementation of a system for widely informing business and the public about new solutions and their prospects;
- strengthening the capabilities of power structures in the direction of budgetary and resource support of entrepreneurship;
- increasing the level of institutional support for the development of informatization and e-governance processes within the framework of regulatory policy;
- improvement of institutional and legal frameworks that will contribute to the minimization of risks and neutralization of threats to the development of entrepreneurship in Ukraine.

In our opinion, these recommendations will contribute to the positive dynamics of the development of entrepreneurship, including innovative ones, in Ukraine.

5. CONCLUSIONS

Today, against the background of political tension and financial and economic instability, the issue of entrepreneurship development is gaining importance. The dominant priorities are the effective use of intellectual potential, the large-scale involvement and development of new technologies, the development of knowledge-intensive industries, the activation of innovative activities, etc. The article examines the regulatory policy of entrepreneurship development as a dominant factor in the economic security of the national economy.

To understand the impact of regulatory policy on the field of entrepreneurship, the development trends of its main indicators were analyzed. It has been proven that the modern way of development of domestic business structures is innovations that strengthen the market positions of enterprises, increase their competitiveness and profitability, which positively affects the standard of living of the regions and the country as a whole, which contributes to the economic security of the country. A methodology for assessing the level of development of innovative entrepreneurship is proposed, on the basis of which the regions of Ukraine are grouped and ranked, and recommendations are provided to overcome the identified disparities. The proposed methodical approach allows to determine regional characteristics according to the level of development of innovative entrepreneurship of each group of regions. The leading regions in terms of the development of innovative entrepreneurship are: Sumy, Kharkiv, Kirovohrad and Poltava (the complex indicators of innovative entrepreneurship are 2.62, 2.31, 2.28, 2.24, respectively). At the same time, the regions turned out to be outsiders Khmelnytsky (1.63) and Kiev (1.72).

The ways of improving the regulatory policy of the development of entrepreneurship in Ukraine are outlined, namely: The need to introduce strategizing, namely the formation of a system of state support for the development of entrepreneurship with an indication of the basic elements and their institutionalization; activation of the function of initiating new regulatory decisions with the active involvement of business representatives and associative business structures; development and implementation of a system for widely informing business and the public about new solutions and prospects based on the results of their implementation; strengthening the capabilities of government structures in the direction of budgetary and resource support for entrepreneurship; increasing the level of institutional support for the development of informatization and e-government processes within the framework of regulatory policy; improvement of institutional and legal frameworks that will contribute to the minimization of risks and neutralization of threats to the development of entrepreneurship in Ukraine.

The analysis of comprehensive indices of the development of innovative entrepreneurship in the regions is aimed at identifying the causes of deviations and highlighting the most important problems of each region, as well as the selection of problematic regions and the development of mechanisms for stimulating their development, which will serve as a perspective for further research by the authors.

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