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DOI <https://doi.org/10.26661/2414-0287-2021-2-50-06>**STRATEGIC POLICY OF ACCOUNTING AND REPORTING OF ENTERPRISES****Gryn V.P.***Zaporizhzhia national university*  
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ORCID ID: 0000-0000-0002-6758-7374**Key words:**

determinants, strategic management, accounting, strategic accounting, strategic recording, social environment, strategic reporting policy, institutional accounting theory, strategic management.

Nowadays it is the constant object for implementing improvements, which is substantiated by the development of the business management system in the context of their organizational structure's and inter-firm relationship systems' amplification, increasing dynamism of the competitive environment. The relevance of the study of theoretical aspects and practical mechanisms for implementing strategic adjustments to the accounting and reporting policy of the enterprise is proved. The concept of strategic adjustment of the enterprise reporting policy is revealed. The role of accounting theory in the formation of the theoretical foundations of strategic accounting policy of the enterprise is analyzed. The role and purpose of strategic additional reporting in achieving the strategic goals of the enterprise are determined. The causal connections of understanding the information about the accounting policy as a source of formation of accounting signals for external users are revealed. The concept of additional disclosure of accounting information of the enterprise as the transfer of information through additional forms of reporting, which goes beyond the current regulatory requirements or accounting standards set by the regulators of the national accounting system. The need for the formation of strategic accounting policy in the context of reporting based on the strategic objectives defined at the enterprise. The dependence of the achievement of the strategic goals of the enterprise on the disclosure of promising accounting information and on additional detailed or more complete information about its current and past activities is substantiated. General tendencies of further accounting system advancement to meet strategic management stakeholders' needs have been emphasized and proved.

**СТРАТЕГІЧНА ПОЛІТИКА ОБЛІКУ ТА ЗВІТНОСТІ ПІДПРИЄМСТВ****Гринь В.П.***Запорізький національний університет*  
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детермінанти, стратегічне управління, бухгалтерський облік, стратегічний облік, стратегічний облік, соціальне середовище, політика стратегічної звітності, теорія інституційного обліку, стратегічне управління.

На сьогоднішній день облік це постійний об'єкт для вдосконалення, що обґрунтовується розвитком системи управління бізнесом в контексті посилення їх організаційної структури та міжфірмових відносин, що посилює динамізм конкурентного середовища. Доведено актуальність дослідження теоретичних аспектів та практичних механізмів реалізації стратегічних коригувань облікової та звітної політики підприємства. Розкрито концепцію стратегічного коригування політики звітності підприємства. Проаналізовано роль теорії бухгалтерського обліку у формуванні теоретичних основ стратегічної облікової політики підприємства. Визначено роль та призначення стратегічної додаткової звітності у досягненні стратегічних цілей підприємства. Розкрито причинно-наслідкові зв'язки розуміння інформації про облікову політику як джерела формування бухгалтерських сигналів для зовнішніх користувачів. Концепція додаткового розкриття бухгалтерської інформації підприємства як передача інформації через додаткові форми звітності, що виходить за рамки чинних нормативних вимог або стандартів бухгалтерського обліку, встановлених регуляторами національної системи бухгалтерського обліку. Необхідність

формування стратегічної облікової політики в контексті звітності на основі стратегічних цілей, визначених на підприємстві. Обґрунтовано залежність досягнення стратегічних цілей підприємства від розкриття перспективної бухгалтерської інформації та від додаткової детальної або більш повної інформації про його поточну та минулу діяльність.

### Statement of the problem

Nowadays business entity's strategic management information system comprises formation, processing, saving and applying data store for valid decision-making being a paramount element of managerial process. Business accounting system as one of the main sources of generating information for managerial decision-making is a constant object for improvements' implementation. This is explained by the development of business management system in the context of complication of enterprises' organizational structure, inter-firm interconnection systems and the increasing dynamics of competitive environment amid global economy's formation.

The most effective tool of the accounting system in the strategic context, based on its understanding as a social and institutional practice, is a strategic accounting policy that ensures the implementation of strategic plans and initiatives of the enterprise, resulting in the formation of subjective (strategically oriented) accounting reality. One of the ways to implement it is a strategic adjustment of the company's reporting policy, which involves the creation of the necessary informational impact on external users who are the subjects of management decisions (investment, loan, etc.), the implementation of which depends on achieving such strategic goals. Based on the insufficient level of development of this issue in Ukraine and the existing need to form a theoretical basis for institutional accounting theory, it is necessary to substantiate the theoretical aspects and disclose practical mechanisms for implementing strategic adjustments to enterprise reporting policy.

### Analysis of recent researches and publications

Issues of formation of strategic accounting policy of the enterprise in terms of accounting are disclosed in the works of J. Ireland, S. Agraval, D. Aobdia, A. Beyer, T. Burvo, R. Wang, M.B. Hitzmenna, D.A. Cohen, T.Z. Lisa, B.A. Lowgie, K. Marquardt, K. Morrill, J. Morrill, J. Sprekman, D. Stitz, M. Trombetty, B.R. Walter, J. Waterhouse, S. Homsisengfet, L. Cheng and others.

### Goals of the article

The purpose of the article is to analyze the theoretical foundations and justification of mechanisms for implementing strategic adjustments to the policy of accounting and reporting of the enterprise.

### The main material of the research

For a long time, Accounting was considered a system that provides data processing and its transformation

into reliable and relevant information about enterprise's business activities in the form of accounting reporting to make various types of decisions. Herewith, scholars did not pay much attention to the analysis of the factors impact caused by the peculiarities of particular national accounting systems building and general trends in the development of the global accounting system on the Accounting development. The situation changed significantly in the context of globalization of the economy, characterized by the elimination of national trade barriers and improved access to international capital markets, and with the rise of international accounting comparativism in the late 1970s – 1980s. The last is a new strand of research related to the definition and analysis of the distinctive features of Accounting development in different countries and the search for ways to eliminate the existing international accounting diversity.

The methodological basis of the study is a systematic approach, which together with structural-functional, cybernetic, methods of modeling and formalization refers to general scientific research methods, which are a kind of intermediate methodology between philosophy and fundamental theoretical and methodological provisions of special sciences, including accounting science. Accounting knowledge, like any other, is based on four basic concepts: space, time, energy, information. Space and time as philosophical categories still do not have an unambiguous interpretation among researchers, but in the conceptual apparatus formed a generally accepted definition of these categories with a pronounced philosophical and physical aspect. Space is a philosophical category that expresses the length, mutual arrangement of material objects (parts). Figuratively speaking, this is a certain "field" in which various objects exist and interact [9]. Time – a set of relations that express the coordination of changing states (phenomena), their sequence and duration. The most obvious connection from the standpoint of philosophy and physics was established between space and information. In fact, space is always perceived by man, in any form, which is information: the space of Euclid, Lobachevsky, Riemann.

One of the promising areas of using the concept of information space is the enterprise management system, as the formation of a separate information space for certain types or components of the management system can significantly increase its efficiency by increasing information support, reducing costs for information interaction with information providers, more detailed needs and requests of subjects of administrative decisions, etc. Therefore, for the effective implementation of strategic management in the enterprise requires not only a sufficient number of

sources and channels of information about the internal environment of the enterprise (business processes and relationships between them), its meso- and macro-external environment, but must build a single accounting strategic information space that would allow integrating all possible information resources needed for strategic decision-making and implementation of strategic initiatives and would be the basis for the formation of a set of necessary information processes and information systems of strategic direction.

For a long time, accounting was considered a system that provides data processing and conversion into reliable and relevant information about the business activities of the enterprise in the form of financial statements that can be used to make various types of decisions. At the same time, scientists did not pay enough attention to the analysis of the impact on the development of accounting factors caused by the peculiarities of the construction of individual national accounting systems and general trends in the global accounting system. This situation has changed significantly in the context of economic globalization, characterized by the removal of national trade barriers and improved access to international capital markets, and the emergence in the late 1970s – 1980s of international accounting comparative studies – a new area of research related to with the definition and analysis of the distinctive features of the development of accounting in different countries of the world and the search for ways to eliminate the existing international accounting diversity.

The development of methods for the support of accounting information with the needs for strategic management compliance, necessarily involves identifying the reasons for the existing gaps between current needs of business entities and the ability of accountants to meet them. The gaps' "depth" will determine further proceeding of the development of strategic management accounting system both at enterprise and national or global accounting system's levels (establishing system of analytical accounting, introduction of new accounting tools, essential reforms of the accounting methodology (methods of accounting objects evaluation, transformation of the existing system of accounting reporting), etc.).

Strategic adjustment of the company's reporting policy (management, financial, integrated reporting) is to ensure the disclosure of indicators in the financial statements (substantive aspects) and its publication in the necessary form (formal aspects) and with the necessary frequency so that it contributes to achieving strategic goals. Adjustments to the company's current reporting system ensure better strategic communication between the company's management and its external stakeholders (investors, borrowers, the public, etc.) by mandatory and additional disclosure of information that will influence their strategic decisions. In this way, there is a clearly directed informational impact on the subjects of different types, which in general contributes to the achievement of strategic goals of the enterprise.

That is why, as noted by J. Waterhouse, M. Gibbins and A. Richardson, there is already a significant amount of accounting literature in which the assessment of voluntary financial disclosure as a strategic tool. Whether or not to disclose such information depends on the costs and benefits of the process. The subjects of generating such information and its recipients interact strategically in understanding the anticipation of each other's actions in response to their own behavior and act to maximize their own interests [5, p. 526].

According to the signal accounting theory, all published accounting information is a certain information signal about the state of affairs of the enterprise, about the peculiarities of the organization of accounting on it, which allows stakeholders to make strategic management decisions. Signal theory allows us to explain the problems of information asymmetry in the capital market, labor market, corporate dividend policy and more.

Based on the provisions of this theory, "good" companies through the disclosure of accounting information can signal the prospects of their activities to stakeholders who are representatives of the capital market, labor market, and the general public. "Bad" companies, ie companies that are prone to opportunistic behavior, in turn, will not mimic such accounting signals, because their implementation requires significant costs, which will make it inappropriate to use such a tool. Such accounting signaling by the company allows to reduce the information asymmetry between internal and external stakeholders on the strategic prospects of enterprise development.

Thus, in contrast to strategic accounting judgments, the main purpose of which is to achieve the required financial performance, strategic adjustment of the company's reporting policy is aimed at making the necessary informational impact through accounting messages and signals, which are institutionally implemented directly through financial statements. created strategic reports of the enterprise and the order on the accounting policy accepted at the enterprise. Such informational influence is carried out purely on external users of accounting information, as the strategic management of the enterprise has complete and reliable information on both the strategic plans of the enterprise and the implementation of strategies already implemented at the enterprise.

Thus, strategic accounting signals allow to eliminate the information asymmetry between internal and external users of accounting information about the company's strategy, which in general contributes to the efficiency of the capital market. The provision of strategic accounting signals about the value, quality and prospects of enterprise development should be considered as a basis or as a factor of influence that causes external users to make strategic decisions regarding the enterprise.

The above analysis of the directions of strategic adjustment of the company's reporting policy revealed that their main purpose is to exert informational

influence on various groups of external entities, the decisions of which depend on the achievement of strategic goals of the enterprise. Based on the provisions of signal theory, the determining factor in the following areas to ensure effective strategic communication is the additional disclosure of accounting information aimed at the following groups of entities and strategic goals that can be achieved as a result of their decisions:

- 1) Investors (goal – to obtain investment funds);
- 2) Borrowers (goal – to get cheap borrowed resources);
- 3) Participants in the labor market – workers, unions, etc. (goal – the resolution of labor disputes, concessions from unions, the conclusion of a collective agreement, etc.).

Thus, the achievement of strategic goals of the enterprise may be influenced by the disclosure of promising accounting information about the future of the enterprise, and additional detailed or more complete information about its current and past activities. In particular, investors' decisions may be influenced by all of the above types of information, and for borrowers, more important is the additional disclosure of information about past events of the company, which confirms the company's ability to settle existing liabilities.

One of the features of the accounting strategic information space is its ability to change its own information boundaries (their narrowing or expansion), which is the result of the emergence / disappearance of certain types of information flows due to: transformation of economic activity of the enterprise and its external environment, which necessitates the formation of additional information of strategic direction; improvement of the strategic management system, which involves the use of new models of strategic decision-making and their accounting support; improvement of investment systems and strategic decision-making systems of external stakeholders; development of new methodological tools for strategic accounting, which provides processing and generalization of information; constant development of information and computer system of the enterprise under the influence of improvement of technical and technological means.

## Conclusions

Accounting and analytical information is an essential part of business data store. Its formation is grounded on system approach in the context of accounting and analytical support, which is part of business management information. The system is a form of different types of accounting and analysis organization. It is formed to supply information for the decision-making process and control its fulfillment.

The analysis of scholars' ideas dedicated to the problems of accounting development to meet strategic management stakeholders' needs allowed to reveal one-sided approach concerning accounting advancement as of instrument to provide business strategic management. Herewith there is lack of studies devoted to the problems of accounting development in the context of information disclosure for external stakeholders regarding peculiarities of current and long-term business strategic development. Above-mentioned means the necessity to study financial recordings' content improvement, which would allow to disclose information about business strategy, as well as application of other reporting tools (integrated recording, strategic recording, etc.) to provide strategic-biased accounting information to external stakeholders.

The analysis of the essence of strategic adjustment of the reporting policy of the enterprise allowed to reach the following conclusions about the role of accounting as a means of communication interaction of the enterprise in the system of strategic management:

- 1) accounting in the context of the strategic management system goes beyond its traditional functions, acting as a tool that directly ensures the achievement of strategic goals of the enterprise through the implementation of direct informational influence on the decisions of external users;
- 2) the subjects responsible for the implementation of strategic decisions and in accordance with the team of strategic management of the enterprise should include entities responsible for the implementation of the accounting policy of the enterprise;
- 3) the effectiveness of the strategic accounting policy of the enterprise should be considered in the context of achieving its strategic goals, because only under such conditions will ensure the preservation of existing and the formation of new competitive advantages of the enterprise.

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