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DOI <https://doi.org/10.26661/2414-0287-2021-4-52-19>**FORMATION OF FINANCIAL DEVELOPMENT STRATEGY****Kushchik A.P., Kryvosheenko S.V.***Zaporizhzhia National University
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20favorit10@i.ua***Key words:**

corporate strategy, financial strategy, financial development, evaluation criterion, strategy components

The article considers topical issues of corporate financial strategy development. It is noted that in the system of corporate management, the strategy of financial development is in the central place, as its implementation is associated with long-term financial and economic policy of the enterprise. In practice, corporate financial strategy is a key bearer of information about the future development of the enterprise, on the basis of which its image is formed, investors are attracted, creditors' confidence increases. New economic relations, which are created on the basis of the information economy, stipulate progressive ways and methods of enterprise management. The formation of corporate financial development strategy should be carried out taking into account: the influence of external and internal factors on the activities of the enterprise; availability of production, financial, marketing and human resources. Depending on this, companies can form such financial strategies that will achieve a positive result, in particular, to stabilize their financial stability, profitability, competitiveness, to maintain certain market positions. After all, the correct choice of financial strategy is a necessary condition for improving the management of enterprises and increasing the efficiency of their activities.

ФОРМУВАННЯ СТРАТЕГІЇ ФІНАНСОВОГО РОЗВИТКУ**Кущик А.П., Кривошеєнко С.В.***Запорізький національний університет
Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**

корпоративна стратегія, фінансова стратегія, фінансовий розвиток, критерій оцінки, компоненти стратегії

У статті розглянуто актуальні питання розробки корпоративної фінансової стратегії. Зазначено, що в системі корпоративного управління стратегія фінансового розвитку займає центральне місце, оскільки з її реалізацією пов'язана довгострокова фінансова і економічна політика підприємства. Практично корпоративна фінансова стратегія є ключовим носієм інформації про майбутній розвиток підприємства, на основі якої формується його імідж, залучаються інвестори, підвищується довіра кредиторів. Нові економічні відносини, які створюються на засадах інформаційної економіки, зумовлюють потребу у прогресивних способах і методах управління підприємствами. Формування корпоративної стратегії фінансового розвитку має здійснюватися з урахуванням: впливу факторів зовнішнього та внутрішнього середовища на діяльність підприємства; наявності виробничого, фінансового, маркетингового та кадрового потенціалу. Залежно від цього, підприємства можуть формувати такі фінансові стратегії, які дозволять досягти позитивного результату, зокрема, стабілізувати їх фінансову стійкість, прибутковість, конкурентоспроможність, зберегти певні позиції на ринку. Адже правильний вибір фінансової стратегії є необхідною умовою вдосконалення управління діяльністю підприємств та підвищення ефективності їх діяльності.

Statement of problem

The components of the enterprise efficiency of any sphere of activity such as high competitiveness, solvency, financial stability, profitability and investment attractiveness are achieved through the implementation of effective financial management. An indispensable prerequisite for ensuring the strategic opportunities for financial development of the enterprise today is its

financial strategy, which occupies a key position in the corporate governance system. The balance of corporate interests in the system of corporate management in general and between its important components in particular is the main guarantee of success of a modern enterprise.

All of the above allows us to state the need to substantiate the processes of formation and evaluation of financial strategy and corporate governance of enterprises

in their relationship, interdependence and interaction in today's dynamic environment. Under such conditions, it is important to study the methodological approaches to the formation of corporate financial strategy and the development of criteria for its evaluation as part of enterprise development

Analysis of recent studies and publications

Foreign scientists I. Ansoff, O. Vikhansky, A. Gradov, B. Karloff, M. Porter, A. Strickland, A. Thompson, W. Sharp and others made a significant contribution to the development of strategies. Among the most important modern studies of the problems of financial potential formation and financial strategies of enterprises are the works of the following Ukrainian scientists: M. Bilyk [1], S. Belousova [2], V. Bugay [3], V. Shevchenko [4], V. Yankovska [5] and others. In the works of these authors various aspects of the processes of creating strategies and systems of corporate governance are considered. Problems of theoretical and practical aspects of strategic development of enterprises of the industrial sector were studied by such scientists as Sabluk P.T, Zavadsky J.S, Gudzinsky O.D, Andriychuk V.G and others.

However, a single approach to substantiate the processes of forming a financial development strategy in the corporate management system, taking into account the relationships and interactions between the financial strategy and the enterprise management system is not found. The economic literature does not clearly define not only the essence of financial strategy, but also its place in the enterprise management system. As for Bazyka S.K., she proposes to consider the financial strategy as an organic element of financial regulation of the enterprise [6].

Despite the importance of existing scientific developments, it should be noted that a significant number of problems in the study of this topic remains unresolved, so in particular it is advisable to develop a methodology for comprehensive assessment of financial strategy.

Objectives of the article

The purpose of the article is to develop theoretical approaches to the formation of the strategy of financial development of the enterprise and substantiation of the feasibility of implementing a comprehensive integrated system of its evaluation.

In accordance with this goal, a set of key tasks aimed at achieving it are the following to explore the components and features of the formation of the strategy of financial development of the enterprise, to summarize the criteria for its effectiveness, to propose measures to improve the strategy of financial development.

The main material of the research

The strategic concept of enterprise development as a fundamental has the idea of effective financial choice. This result can be achieved by implementing a strategy of financial management, which involves the effective achievement of goals by financial methods and means. According to the research of a number of authors (Akoff R., Ammelburg G., Aniskin Y., Ansoff I., Arkhipov V.,

Bakanov M., Balabanov I.) this strategy is called the financial strategy of enterprise management.

Strategic financial management is a synthesis of such areas of general management theory as strategic management and financial management. In addition, financial strategy is an integral part of the corporate governance system of the enterprise i. e. a form of real implementation of management relationships.

Most authors define the financial strategy of the enterprise as a system of directions of enterprise development, necessary to achieve the goals in the long run, within a certain mission. In general, the corporate financial strategy of the enterprise:

- covers all major aspects of managing the financial resources of the enterprise and the development of its financial relations with partners;
- provides adjustment of sources of formation, directions of placement and using of financial resources which depend on changes of factors of the internal financial environment of the enterprise;
- promotes rapid adaptation to changes that occur in the external financial environment;
- substantiates the strategic guidelines of the financial activity of the enterprise;
- is the basis for making strategic decisions to improve the management of financial resources of the enterprise.

In the economic literature, a different structure of the financial strategy of the enterprise is proposed [7]. Ways and directions of achieving the stated goals are determined in the framework of the formation of individual components (modules) of the financial strategy and its components. The composition of the main components of the financial strategy of the corporation is presented in Fig. 1.

Characteristics of the components of corporate financial strategy are given in table 1.

Corporate financial strategy is developed in the form of a program of financing development and specified in the financial plan (budget) taking into account the necessary changes in the structure of capital and funds for achieving developed strategies for the growth and competitive advantage of the enterprise [8].

Review and generalization of modern approaches to the sequence of development of financial strategy of the enterprise indicate the lack of a single structural construction of this process, which allows us to conclude that it is necessary to streamline. The algorithm for building a corporate financial strategy is presented in Fig. 2.

All stages of the process of forming a corporate strategy of financial development must be performed one after another, according to the proposed algorithm [9].

The most important task of developing a corporate financial strategy is to determine the volume, sources and forms of attracting financial resources for business activities of the enterprise. The development of financial strategy at the enterprise should be carried out according to a certain methodology, which contains a number of defined stages: analysis of the enterprise environment, development of a system of strategic goals, identification of possible options, financial strategy formation, implementation, monitoring and adjustment of financial strategy (Fig. 3).

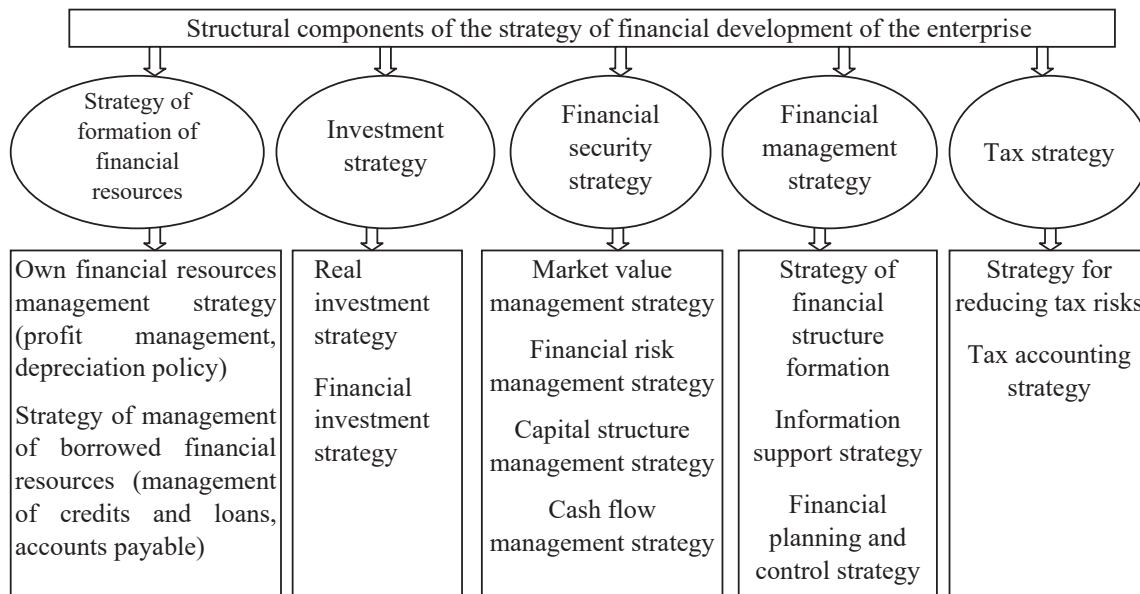


Fig. 1 – The system of components of corporate financial strategy in terms of the main directions of financial development

Table 1 – Characteristics of the components of corporate financial strategy

Components of the financial strategy of the enterprise	Essence	The main strategic objectives
Strategy of formation of financial resources	Creating the necessary amount and structure of financial resources, adequate to the development goals, allowing to achieve the strategic attitudes of the firm with the highest efficiency.	Achieving stable growth of own sources of financing; attracting the necessary external financing with minimal costs; optimizing the structure of sources of financial resources and ensuring financial flexibility.
Investment strategy	The optimal distribution of investment resources owned by the company, by individual areas and forms of investment.	Ensuring the necessary proportionality of the distribution of investment resources by types and main directions of investment activities of the enterprise; ensuring the necessary proportionality of the distribution of financial resources by strategic business units of the enterprise; ensuring high efficiency of return on investment resources of the enterprise in the process of their use.
Financial security strategy	Ensuring a stable financial balance throughout the period of operation of the enterprise.	Identification and assessment of the most significant financial risks and development of a set of measures to neutralize them; ensuring stable solvency and financial stability, implementation of comprehensive solutions in the field of crisis management (both in terms of preventive measures and in terms of actions in the event of signs of crisis).
Strategy for improving the quality of financial management	Creating a flexible management system for financial activities, adequate to the long-term goals and objectives.	Creating an effective financial structure; ensuring a high level of qualification and organizational culture of financial managers; introduction and effective use of innovative financial technologies, including methods and tools to model alternative development scenarios and to forecast their financial results.
Tax strategy	Making decisions that allow you to optimize the tax burden of the enterprise, preventing the growth of tax risks.	Optimization of the tax burden, which ensures the growth of retained earnings of the company in terms of an acceptable level of tax risks; formation of tax policy with maximum consideration of possible benefits, prevention of fines and overpayments.

The complexity of strategy formation is due to the need to take into account many dynamic, vague, not always formalized goals and guidelines, there is a likelihood of strategy formation on the basis of conflicting guidelines. Thus, the strategy is a model of goals, actions, capabilities of the enterprise for strategic perspective, on the creation and implementation of which the organization and management

of financial and other resources of the enterprise are put down. We must note that the main properties of the corporate financial strategy of any enterprise are its effectiveness, adequacy, reliability, ability to create and maintain long-term competitive advantages of both financial resources and the enterprise as a whole, time orientation, achievability due to the company’s potential to its strategic capabilities

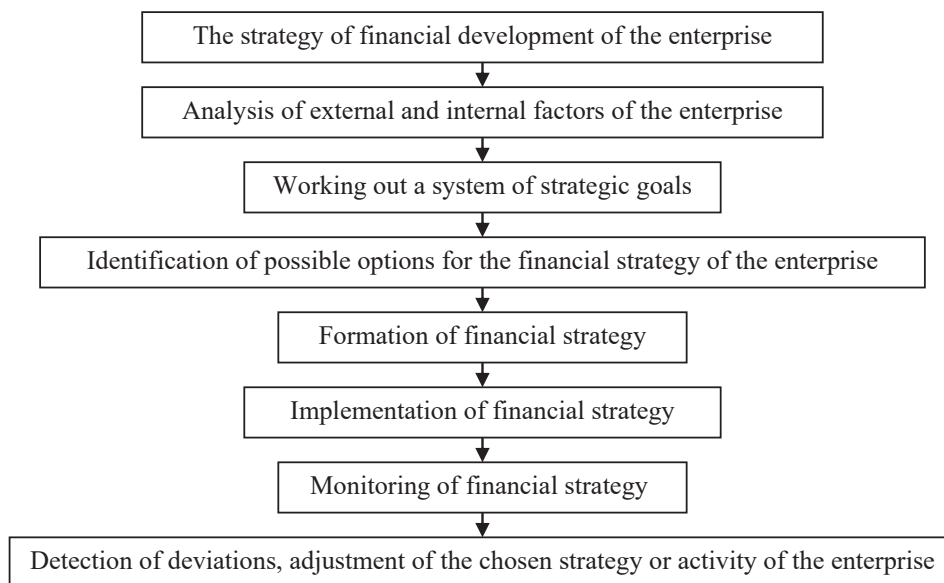


Fig. 2 – Algorithm of corporate strategy of financial development

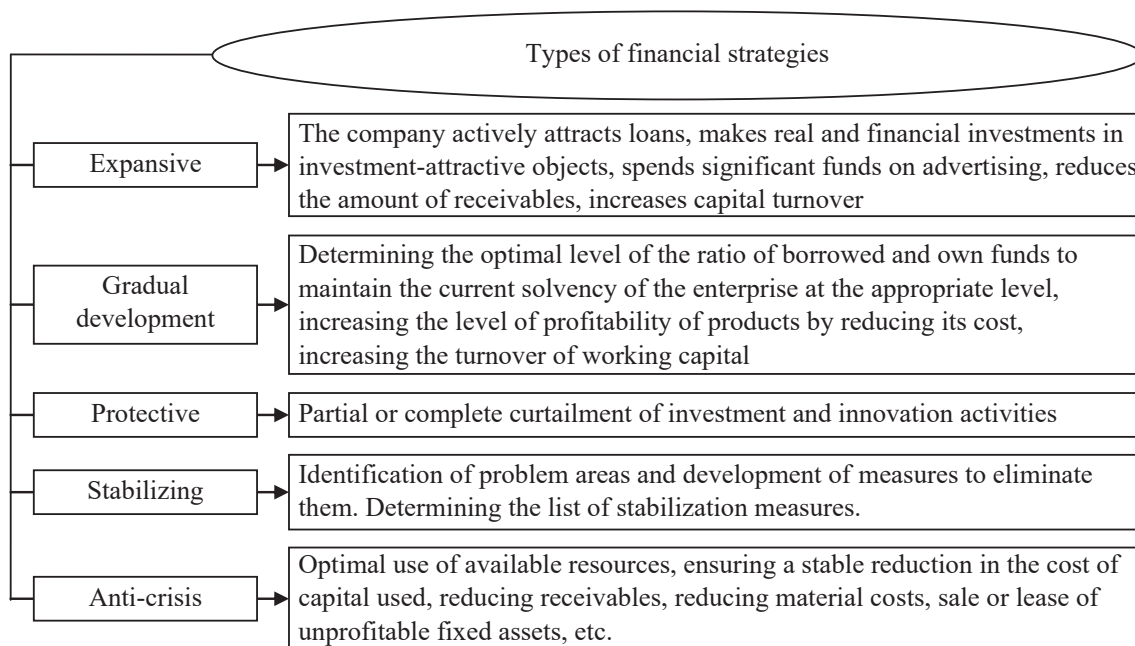


Fig. 3 – Types of corporate financial strategies

functioning and development, planning, systematization, differentiation, flexibility, riskiness [9].

According to research, most scientists propose to divide the criteria for evaluating financial strategy into two groups: those that characterize its properties, and directly the quality criteria. We understand that indicators of the properties of corporate financial strategy are any features that reflect its goals, purpose, content, methods of formation and implementation, deadlines, composition of performers, effectiveness, efficiency, adaptability, connection with other strategies and activities. Quality criteria are indicators that characterize the purposefulness, scientific validity, prospects of corporate financial strategy [3].

It is known that active corporative financial strategy can't be estimated by one generalized index. We think such an estimation can be realized on the basis of obtained results that are reflected in indexes of effective activity of the enterprise (Fig. 4).

The evaluation of the selected performance criteria should be carried out in a complex, as the proposed indicators are interrelated and interdependent. Based on the results of the evaluation, the financial strategy is accepted for implementation or finalized according to the specified criteria. To assess the advantages of one strategy over another (others) and check how it is able to ensure the success of the enterprise, it is recommended to use a system of criteria, table 2.

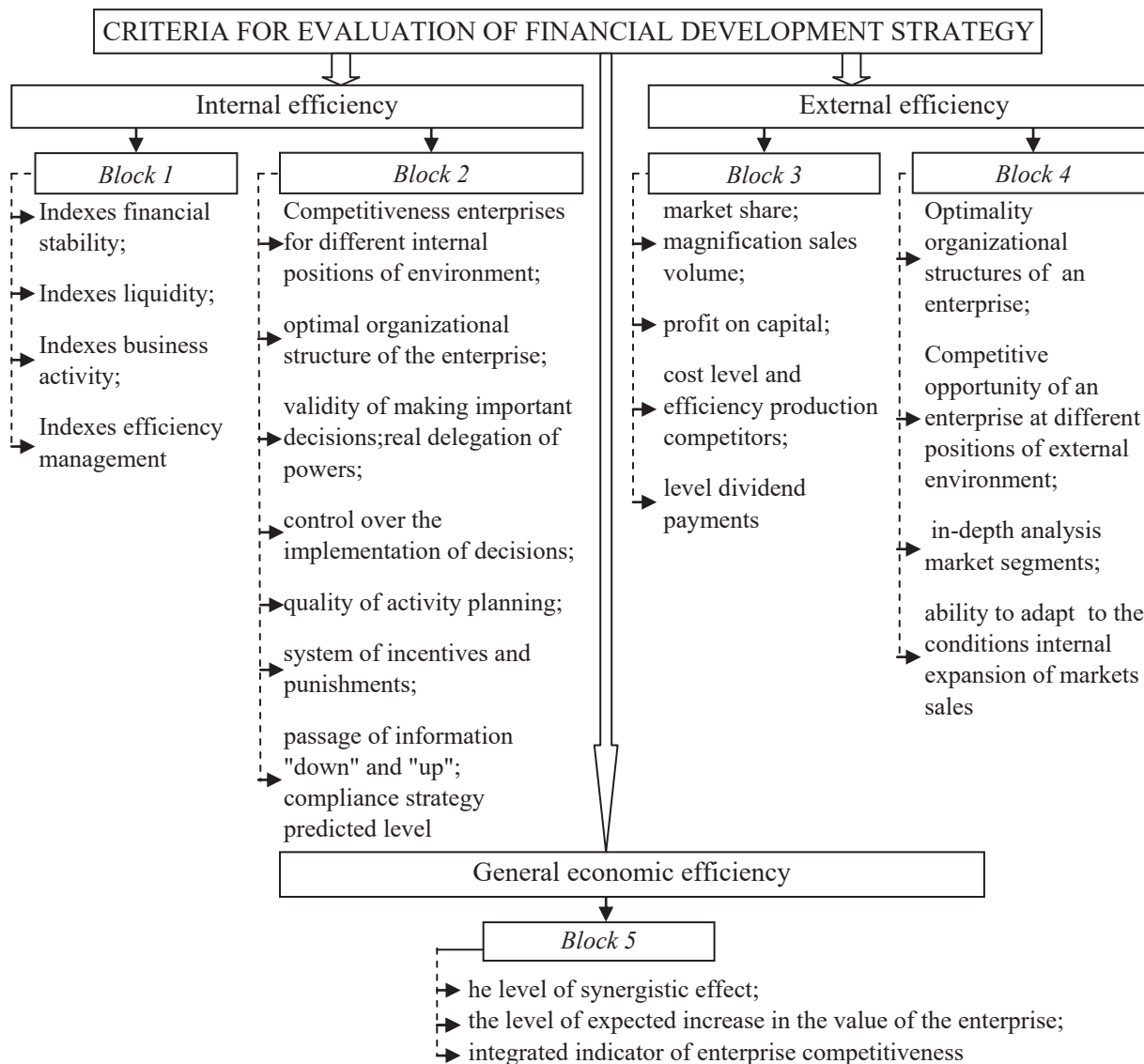


Fig. 4 – Criteria for assessing the effectiveness of the formation and implementation of corporate financial strategy

Table 2 – Criteria for choosing the strategy of the enterprise

Criterion	Brief description
Mental correctness	The strategy should be developed with knowledge and understanding of the two absolute poles of an effective strategy: absolute irrationality (extreme pole) and extreme rationality (opposite pole)
Situationality	The strategy should integrate the characteristics of a particular situation into key factors of future (strategic) success
Uniqueness (competitive advantage)	The strategy should contain unique (different from existing) opportunities for future business success, which will positively differentiate the company from its competitors and allow it to achieve a stable competitive advantage. The greater the competitive advantage created by the strategy, the more powerful and effective it is
Future uncertainty as a strategic opportunity	The strategy must be able to translate changes in the external environment of the enterprise into its strategic and tactical advantages
Flexible adequacy (compliance)	The strategy should ensure that the company's own strategic changes are consistent with changes in the external environment
The intensity of the enterprise	The strategy should be aimed at reducing the period of time to achieve financial and strategic goals of the enterprise
The speed of achieving competitive advantage	The strategy should provide companies with the ability to "accelerate" and "ahead" of competitors
Mutual coherence	The strategy should ensure compliance and coherence of all its components
Degree of risk	The strategy should aim to reduce the likelihood of risk

The criterion allows you to establish the compliance of the strategy with certain characteristics. It should be noted that all these characteristics are not alternative, but, on the contrary, complementary and mutually reinforcing.

During analysis of the literature sources of strategy development by some enterprises it is established that in practice there are two interpretations of the strategy: proclaimed and real. In our opinion, a real strategy is a strategy that consists of the flow of new goods, services, processes in which resources are invested. In this case, we believe that if the values or criteria on which decisions on investment priorities are based do not coincide with the declared (planned) strategy (as it often appears in practice), then the declared by the enterprise strategy and its actual strategy are very different.

Conclusions

Thus, corporate financial strategy is an integral part and an important element of the management system of the enterprise, occupying a central place among its functional strategies, determines the main directions of improving the efficiency of its financial management and development of financial relations with counterparties.

The quality of a corporate financial strategy directly depends on the level of its soundness, as well as on the completeness of consideration and assessment of the factors on the basis of which it was developed. Financial strategy plays an important role in the management system of the enterprise, in particular:

- ensures the implementation of financial goals of economic development of the enterprise;
- realistically assesses the financial capabilities of the enterprise, promotes the effective use of its financial potential and active maneuvering of its financial resources;
- ensures the rapid realization of financial opportunities that arise as a result of changes in environmental factors;
- takes into account all possible alternatives to the development of uncontrolled environmental factors and minimizes their negative consequences for the company;
- ensures consistency of the main elements of strategic and operational management of financial activities of the enterprise;
- determines the optimal ways of allocating scarce of financial resources;
- forms the main criteria for evaluating the choice of important management decisions to improve the efficiency of financial activities.

Summing up the study of the essence, functions and elemental structure of corporate financial strategy, it can be argued that the development and implementation of effective financial strategy is the basis for the exit of domestic enterprises from the financial and economic crisis. Note that the main properties of corporate financial strategy are its effectiveness, adequacy, reliability, ability to create and maintain long-term competitive advantages of both financial resources and the enterprise as a whole, time orientation, achievability due to the company's potential to its strategic capabilities.

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