

МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ
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**ФІНАНСОВІ СТРАТЕГІЇ
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**УПРАВЛІННЯ ПРОЄКТАМИ
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В УМОВАХ ГЛОБАЛІЗАЦІЇ****Батракова Т.І., Геворгян Г.А.**

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STRATEGIC PRIORITIES OF MANAGEMENT OF THE COMPETITIVENESS OF INDUSTRIAL ENTERPRISES

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Key words:

management of enterprise, competitiveness, industrial enterprises, potential of competitiveness of enterprise, strategic management of enterprise, possibilities of competitors, economic subject, competitive commodity, a competitiveness, a competitiveness

In the article the considered methods of strategic management of industrial enterprises a competitiveness. By the author of the article certain strategic case of industrial enterprises frames at national level, and also investigational tekhniko-technological and organizationally administrative measures which will be instrumental in the increase of production of eksportoorientovany goods volumes. A certain role of enterprise is at national level. Investigational tekhniko-technological and organizationally administrative measures of enterprise. In the article the modern going is probed near the management of enterprise a competitiveness. Grounded, that for a successful management a competitiveness it is needed to study a market, correctly to estimate the competitiveness, possibilities of competitors and factors, that they are determined. Attention is accented on that the competitiveness of enterprise can be defined as a potential or realized capacity of economic subject for the effective of long duration functioning in a relevant external environment. It is important to carry out such management which will provide adjusted of enterprise to the different unforeseen situations in the future.

In the article certain factors of competitiveness of territorial producer. The scope of wide spectrum of konceptiv is analysed at research of essence of competitiveness. Certainly, that successful development of metallurgical enterprise is possible only on condition of valuable activity of all aggregate of dependent between itself economic mechanisms, and also forming and realization of the system of strategies of enterprises of metallurgy, on the basis of logistic approach. Conclusions are done, that the technological competitiveness of industrial enterprise is able to attain a high level only in that case, if effective control system is formed and operates by it. Consequently, a construction exactly of such system is impossible without the use of principles of strategic management.

Certainly, that absence or improper functioning even of one link in the system of strategic priorities of the use of management of industrial enterprises a competitiveness is accompanied negative mikroekonomichnimi changes, deformations, in the construction of production relations, productive forces, and others like that, that in the end influences on a competitiveness and dynamics of development of these enterprises.

The grounded aggregate of mechanisms and going near a choice from existent alternatives, forming and realization of strategic priorities of the use of management of industrial enterprises a competitiveness, predetermines possibility of effective, less resursovitratnoy, dynamic, in the maximally possible degree of the forecast realization of basic, vitally important for the increase of competitiveness innovative transformations of activity of these enterprises. Strategic orientiri of internal development of enterprises of metallurgy is formed in research suggestion, the model of choice is offered realization of strategy of increase of competitiveness of these enterprises, which represents the difficult dependency upon itself complex of strategic measures, each of which submits the unique purpose. The elements of strategy can have both protective and offensive, character, that allows an enterprise not only to solve problem survival but also realize the prospects of development, strengthening of competition positions, forming of competitive edges.

СТРАТЕГІЧНІ ПРІОРИТЕТИ УПРАВЛІННЯ КОНКУРЕНТОСПРОМОЖНІСТЮ ПРОМИСЛОВИХ ПІДПРИЄМСТВ

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Ключові слова:

управління конкурентоспроможністю підприємства, конкурентоспроможність, промислові підприємства, потенціал конкурентоспроможності підприємства, стратегічне управління конкурентоспроможністю підприємства, можливості конкурентів, економічний суб'єкт, конкурентоспроможний товар

У статті розглянуті методи стратегічного управління конкурентоспроможністю промислових підприємств. Автором статті визначені моделі стратегічного управління промислових підприємств на національному рівні, а також досліджені техніко-технологічні та організаційно-управлінські заходи, що сприятимуть нарощуванню обсягів виробництва експортоорієнтованої продукції. Визначена роль підприємства на національному рівні. Досліджені техніко-технологічні та організаційно-управлінські заходи підприємства. В статті досліджуються сучасні підходи до управління конкурентоспроможністю підприємства. Обґрунтовано, що для успішного управління конкурентоспроможністю потрібно вивчати ринок, правильно оцінювати свою конкурентоспроможність, можливості конкурентів і чинники що їх визначають. Акцентовано увагу на те, що конкурентоспроможність підприємства можна визначити як потенційну або реалізовану здатність економічного суб'єкта до ефективного довготривалого функціонування у релевантному зовнішньому середовищі. Важливо здійснювати таке управління, яке забезпечуватиме пристосованість підприємства до різних непередбачених ситуацій у майбутньому.

У статті визначені чинники конкурентоспроможності територіального виробника. Проаналізовано охоплення широкого спектру концептів при дослідженні сутності конкурентоспроможності. Визначено, що успішний розвиток металургійного підприємства можливий лише за умови повноцінної діяльності усієї сукупності взаємопов'язаних економічних механізмів, а також формування і реалізації системи стратегій підприємств металургії на основі логістичного підходу. Зроблено висновки, що технологічна конкурентоспроможність промислового підприємства здатна досягти високого рівня лише у тому разі, якщо сформована і діє ефективна система управління нею. Отже, побудова саме такої системи неможлива без використання принципів стратегічного управління.

Визначено, що відсутність або неналежне функціонування хоч би однієї ланки в системі стратегічних пріоритетів використання управління конкурентоспроможністю промислових підприємств супроводжується негативними мікроекономічними змінами, деформаціями в побудові виробничих стосунків, продуктивних сил тощо, що зрештою впливає на конкурентоспроможність і динаміку розвитку цих підприємств.

Обґрунтована сукупність механізмів і підходів до вибору з існуючих альтернатив, формування і реалізації стратегічних пріоритетів використання управління конкурентоспроможністю промислових підприємств зумовлює можливість ефективної, менш ресурсовитратної, динамічної, в максимально можливому ступені прогнозованої реалізації основних, життєво важливих для підвищення конкурентоспроможності і інноваційних перетворень діяльності цих підприємств. У дослідницькій пропозиції сформовано стратегічні орієнтири внутрішнього розвитку підприємств металургії, запропоновано модель вибору і реалізації стратегії підвищення конкурентоспроможності цих підприємств, що відображає складний взаємопов'язаний комплекс стратегічних заходів, кожен з яких підкоряється єдиній меті. Елементи стратегії можуть мати як захисний, так і наступальний характер, що дозволяє підприємству не лише вирішувати проблему виживання, але і реалізувати перспективи розвитку, посилення конкурентних позицій, формування конкурентних переваг.

Statement of the problem

The permanent increase of strategic priorities of the use of management of industrial enterprises a competitiveness lately acquires all greater reality on condition of introduction

of modern forms and methods among which most effective is a strategic management. A strategic management is provided by an enterprise, region, national economy, by the tool of strategic analysis of polivariantnosti development,

methods of acceptance of proaktivnikh decisions, by the mechanisms of their implementacii for providing of steady development and acquisition by the regional economy of qualities which determine it beneficiarnu position [1].

The tool of strategic management a competitiveness heads for activation of strategic potential, strengthening, production-resource filling of economic subject, providing of development of him, human capitals and regional collaboration. A strategic management is foreseen by application of such model which guarantees the optimum, effective and rational use of potential [2].

At the same time, the strategic management of region a competitiveness is not examined from position of approach of the systems, which allows strukturuvati the component structure of the system of the noted management and outline it functional copulas. In the modern terms of market relations, when competitive activity more becomes sharp on the markets of commodities and services, the necessity of expansion of circle of urgent questions of important scientific researches more becomes in the field of economic security of the state. Thus the special value is acquired by the methods of estimation and instruments of increase of economic strength security in the field of strategic priorities of the use of management of industrial enterprises a competitiveness [3].

A problem of the effective functioning and development of metallurgical enterprises is many-sided and difficult enough, as closely pov'yazana with general development of industrial production, adaptation of metallurgical enterprises to the market environment and necessity of increase of competitiveness of metallurgical products, enterprises and industry, on the whole [4].

In countries with the market economy of management a competitiveness plays an important role as factor of intensification of socio-economic development. For Ukraine the problem of guaranteing of the use of management a competitiveness as a factor of development of industrial enterprises has an especially important value, that conditioned, above all things, by modern development domestic the sector of this industry status and increase of production capacities, which is carried out a mainly extensive way [5].

Real necessity of government control of the use of management of industrial enterprises a competitiveness, caused features, inherent this industry, by its mestome and role in guaranteing of strategic priorities. The conducted analysis of domestic and foreign experience shows that the negative consequences of instability of internal and external management of industrial enterprises a competitiveness substantially influence on the parameters of their development. Importance of theoretical comprehension and methodological providing of perfection of regulator policy of development of difficult industry at the global changes of external environment is explained, in the first turn, by a requirement in rapid adaptation of this industry to the new circumstances and in forming of pre-conditions for this stable development the sector of economy of Ukraine in a long-term prospect. Consequently, a search and perfection of the new theoretical and practical going near determination of strategic priorities of the use of

management of industrial enterprises a competitiveness is an actual task [6].

Analysis of recent studies and publications

The aspects of strategic priorities of the use of management of industrial enterprises a competitiveness are examined in works of A. Balanovych, K. Borymska, A. Halchynskyi, O. Hudz, I. Kishchak but other. A problem is examined from point of strategic priorities of the use of management of industrial enterprises a competitiveness. The analysis of foreign publications from noted problematiki allows to draw conclusion, that industrial productions are the element of strategic development of national economy, however much a role of the state in this process is not primary by comparison to activity of international corporations. In particular, A. Zakrzewska-Bielawska examines conceptual bases of strategic development of enterprises from the production of difficult equipment from point of interests of multinational corporations. Martin C. ra Leurent H. forecast subsequent progress of this industry trends in the world. Villamizar M. A. other select those unique features of strategic priorities of the use of management of industrial enterprises a competitiveness. In the context of research of management of industrial enterprises a competitiveness interesting also there is research of experience of other countries [7]. Because of results of the detailed researches of domestic and foreign research workers and practical workers of this problem, it is possible to draw conclusion, that modern realities require a study and rozv'yazannya row of naukovopraktichnikh tasks, pov'yazanikh with subsequent development of difficult metallurgical industry the increases of economic efficiency of its activity taking into account investment-innovative constituents, role of the state, organizationally administrative re-erecting and determination on the basis of strategic imperatives of steady development of strategic priorities of the use of management of industrial enterprises a competitiveness [8].

Objectives of the article

The aim of this article is determination, research-and-development modern methodical going near the management of enterprise a competitiveness.

The main material of the research

The author of the article to the factors of competitiveness of territorial producer is take away the following:

1. Quality of commodities and services which are produced in the system of regional economy.
2. A cost of commodities and services is at the market of region and other types of markets.
3. Level of qualification of personnel and management which is offered at the regional market of labour.
4. Technological level of production of territories.
5. Availability of sourcings regional economy, in thereby investment resources.
6. Competition monopolistic position at the regional market (Fig. 1) [1].

Consider innovative the most ponderable competitive edges and marketing. Not taken into

account thus, that human potential of region is provided by forming of innovations and modern marketings mechanisms, and also their implementaciyu in practical activity. Thus, to determine the competitiveness of economic player on the competition field inherently only him to the human factor which is the transmitter of innovative knowledges and marketings technologies [9].

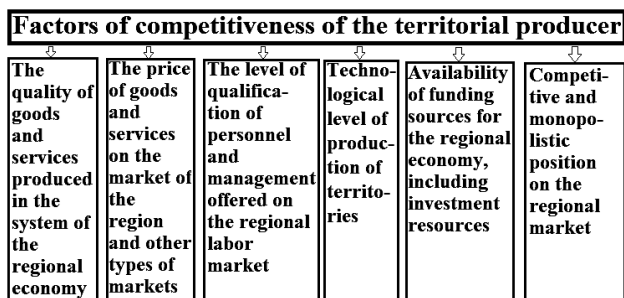


Fig. 1 – Factors of competitiveness of territorial producer
Source: it is developed an author on basis [1]

For today considerable distribution, as basis of competitiveness of industrial enterprise was purchased by principle of presence of competitive edges. A competition is a contention process and win in him sub’ekti, which inherent qualities which create for them advantages before other sub’ektami of economic competition. That a competitive edge shows by itself the economic relations of sub’ektiv menage, which shows up in advantages above competitors in a production process, receipt of resources or keeping, at the commodity market in the existent terms of co-operating with an external environment [10].

At research of essence of competitiveness the wide spectrum of konceptiv among which rationally to select epistemologichniy approach from position of competitive edges, factor gnosiological foreshortening, integral approaches et al, is engulfed (Fig. 2). The exposure of essence of these conceptual positions results in a conclusion about expedience of application of approach of the systems to determination of modern kontentu competitiveness both from positions of cybernetics and synergetics [11].

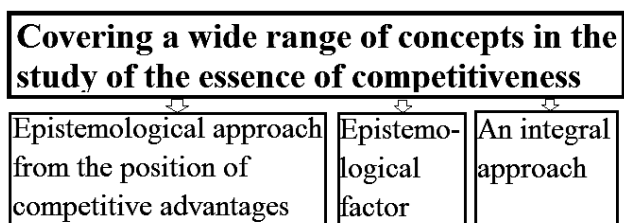


Fig. 2 – A scope of wide spectrum of konceptiv is at research of essence of competitiveness

Source: it is developed an author on basis [1]

The purpose of research suggestion is determination of strategic priorities of the use of management of industrial enterprises a competitiveness.

Exposition of basic material of research

Research methodology

1. Determination of strategic case of enterprise frame.
2. Determination of role of enterprise is at national level.
3. Research tekhniko-technological and organizationally administrative measures of enterprise.

Strategy of management of enterprise a competitiveness is the program of actions, directed on achievement of long-term competitive edges of enterprise, which is based on principles of flexibility and adaptiveness to the changes of external environment, and also innovaciynosti, to the system and situatioonal.

In my opinion, a strategic case frame which is oriented to creation and support of competitiveness of enterprise has a next kind (Fig. 3):

1. Strategic aims.
2. Tactical plans.
3. Investment fund.
4. Expected term of recoupment.
5. Control of quality of products.
6. Analysis of results.
7. Influence of external environment.
8. Possibilities of potential of enterprise.
9. Revision ranishe certain goals and strategies.
10. Strong and weak sides.
11. Threats and possibilities.
12. Analysis of competitors.
13. SWOT-analysis.
14. Mission, policy, aims, strategies, programs and plans.



Fig. 3 – Strategic case frame

Source: it is developed an author

The increase of competitiveness of pov’yazane with development and choice of the proper strategies of forming of which needs permanent koregumannya and perfection. Depending on a market situation, terms of environment of functioning, level of competitive edges and methods of competition rivalry, an enterprise elects the proper strategy of competitiveness and model of conduct, taking into account, here, factor of participation of the state in control system [12].

A strategic management is based on the analysis of mutual relations which characterize by the system “environment-pidpriemstvo”. By the purpose of strategic analysis of results ekonomiko production there is semantic description of an object research, exposure of features of tendencies, possible and impossible directions of

his development activity of enterprise. In same queue a strategic management is foreseen by a retrospective and strategic analysis and analysis of markets (necessities) [13].

One of effective methodical instruments of stimulation of organizational, economic, technological and technical factors of increase of competitiveness of enterprises of metallurgy there is logistic approach in modern terms. Application of this approach allows substantially to improve maintenance of clientele, reduce the term of delivery of loads, promote efficiency of the use of transport, accept scientifically grounded decision at the decision of concrete tasks development of enterprise, by investigation what growth of competitiveness of products and enterprise is on the whole. It follows also to aspire to continuity planning and control of functioning of control system by a competitiveness on the basis of logistic principles. This control must have a two-tier structure: strategic control of management processes and tactical (operative, current) control [14].

For every metallurgical enterprise and his control system the choice of strategic priorities of the use of management of industrial enterprises a competitiveness is carried by the applied character and based on forming of influence of current indexes and end-point of different processes on the competitiveness of these enterprises, clear vision them resource possibilities and acceptability of facilities of bringing in of additional resources [15].

The noted problems, next to the necessity of near-term attention to the strategic level of forming of tool of increase of competitiveness of metallurgical enterprise on the basis of logistic approach, defined actuality of research suggestion [16].

A model of increase of competitiveness of enterprises of metallurgy on the basis of logistic approach is the element of control system by a competitiveness enterprise and instrument of realization of strategic aims of his development, that on condition of adequate construction and use of this model is instrumental in the effective management of strategic priorities of the use of management of industrial enterprises a competitiveness to due to [17]:

- synchronizations of aims are on the different levels of management organization of strategic priorities of the use of management of industrial enterprises (to strategic, tactical, operative) a competitiveness with the simultaneous overcoming of resistance innovations;
- to maximally rapid advancement of ideas which are generated, from conception to commercialization with the minimum charges of resources of industrial enterprises;
- to creation of ductings of *zv'yazku* into organization with external contractors with the purpose of the timely providing the specialized knowledges;
- to destruction of obstacles in co-ordination between innovative projects and command;
- to establishment of discipline for a management and providing information knowledges.

By pre-conditions of development of model of increase of strategic priorities of the use of management of industrial enterprises a competitiveness on the basis of logistic approach must be [18]:

- description of starting terms, descriptions, scales of activity of enterprise, his mission;

- determination and estimation of actual level and dynamics of basic parameters, descriptions, indexes of control system and tendencies of their changes;

- determination of priorities of development that which is managed and *upravlyayu*chei subsystems in the process of action of frame case a competitiveness and of possibilities of their perfection;

- determination of existent problem areas, choice and ground of ways of diminishing of their influence, is on a result or liquidations.

At forming of model of increase of strategic priorities of the use of management of industrial enterprises a competitiveness it is necessary to take into account on the basis of logistic approach, that realization of this model directly influences on base organizational qualities of concrete enterprise [19]:

- to foresee his ability problems and possibilities, and also to accept strategic decisions, adapting to the external changes;
- a level of the real estimation of new ideas is on an enterprise;
- development of internal communications;
- readiness is to the risk (to invest ability innovative processes, even in the conditions of vagueness, with the purpose of improvement of activity);
- ability to manage processes which generate innovations.

In the process of management of the use of management of industrial enterprises a competitiveness strategic priorities it is necessary to take into account the system of this process, and also base of innovative potential in forming of all system. With the purpose of providing of perception of innovations by an enterprise, a management his competitiveness must provide optimum correlation of descriptions of the inculcated innovations: an object innovations; level of radicalism of innovations; level of adaptiveness of innovations; form of perception of innovations; a level of integrity of innovations is in the process of their introduction [20].

Importance of innovative potential and innovative systems in forming of strategic competitive edges of strategic priorities of the use of management of industrial enterprises a competitiveness is determined principles of functioning of innovative potential of the system of competitiveness among which it is possible to select such [21]:

1. The principle of permanence, which provides for the continuity of conducting research and scientific activities, the identification of new problems and the determination of ways to solve problems, the constant renewal of the technological base of the economic system and the dynamics of creative, creative processes.

2. The principle of radicalism. This principle determines the degree of transformation of the quality or structure of products produced in the region, or technologies used in the process of economic activity. Radicality means the emergence and implementation of new inventions, which are the impetus for the development of new generations of equipment, technology or products.

3. Enhancement of the diffusion effect. E. Rogers, having discovered the effect of diffusion, defines it as a process by which innovation (for example, new ideas, processes or goods) is transmitted over time through certain channels to members of social systems [22].

4. The principle of interactivity. This principle defines such an organization of system work, in which the goal is achieved by information exchange and interaction between the elements of this system. Innovative potential can be effectively realized only under the condition of interaction and mutual influence of all its components. The process of forming new knowledge consists of such stages as socialization, externalization, combination and internalization [23]. Socialization is the transfer of informal knowledge from one person to another through and in the process of discussions, conversations, etc. Externalization occurs in the process of describing knowledge and its distribution in the relevant scientific, technical or professional environment as a result of its formalization. Combination is the actions of systematization or other methods of processing formalized knowledge, which allows creating knowledge of a higher level of formalization. Internalization is the stage of transformation of formalized knowledge into informal knowledge. That is, at this stage, a new idea is generated, which, through the specified stages, takes the form of formalized knowledge. At the same time, the named stages overlap each other and are in an interactive relationship [24].

The following principles of functioning of the investment potential and its development are distinguished [25]:

1. Efficiency. It provides such a way of functioning of the investment potential, in which each invested unit of investment gives the highest return. The principle of efficiency of investments conditions the effect of the principle of efficiency of the system of regional competitiveness as a whole due to the reduction of the cost of production and the possibility of applying price methods of competition by regional economic players.

2. Optimality is the best choice among possible and expedient options in the system of existing constraints. When applying this principle, the concept of “better choice” is important, which can be explained with the help of V. Pareto’s theoretical statements, which states: “It should be considered that any change that does not cause damage to anyone and that benefits people (for their own assessment), is an improvement” [26]. In these conditions, the problem of choosing an option that will benefit everyone comes to the fore.

V. Pareto’s optimality assumes three conditions. The first is the optimal distribution of goods, according to which the marginal rate of substitution of two goods should be the same for both consumers. The second is the optimal allocation of resources in production. The third condition is the optimal volume of production.

3. The democratic functioning of the investment potential determines the possibilities of access to resources that can be directed to investments of the widest possible range of regional financial recipients.

4. Investment culture. The principles of efficiency, optimality and democratic functioning of the investment

potential will be implemented under the condition of building an investment culture in the region. Investment culture provides such a way of making investments and managing them, which applies modern innovative technologies, and the result of investments contributes to the harmonious, sustainable development of the region.

Strategic management of the competitiveness of the regional economy is based on synergistic principles, which include mechanisms of self-development, self-organization and self-learning.

An important component of strategic management of the competitiveness of the regional economy is the methodical content of regional administration. Methods of strategic analysis, methods of strategic planning and imperatives of strategic management are included in the methodological background.

The methods of strategic analysis used in the process of strategic management of the competitiveness of the region can be called the following:

1. SWOT-analysis. The expediency of using this method is determined by its content, which allows determining both the main positive and negative factors of the internal environment, as well as the threats and opportunities of the region’s environment. When conducting this type of analysis in the context of strategic management of the region, it is advisable to take into account not only the current level of positive factors and threats and shortcomings, but also their potential content. Positive factors revealed in the process of strategic analysis can turn into negative ones and vice versa. It is strategic planning that allows you to minimize the negative effect of a certain factor and to propose actions aimed at strengthening the positive potential of the effect of the factor.

In addition, large strategic opportunities are, as a rule, highly risky, their implementation requires large losses, which can affect the effectiveness and optimality of strategic management of competitiveness.

2. PEST-analysis includes a description of the political and economic components of the formation of regional competitiveness, an analysis of trends in the social sphere and technologies. As evidenced by recent events, political factors directly affect business activity in the region, its investment climate, the possibility of access to resources, the stability of social life, and the prospects for building or losing competitive advantages. The economic factor covers the assessment of the impact of production, resource and other types of potential that allow the implementation of certain economic plans and programs. The social factor determines the state of social relations that allow forming a system of strategic competitive advantages of the region. The diagnosis of the needs of the region’s society is carried out, the possibilities of their development and the ways of their satisfaction are determined. The technological factor consists in characterizing trends in technological development, identifying opportunities to activate the innovative potential of the region.

3. The foresight method involves researching the prospects of scientific, technological and innovative development and is carried out according to the principles that form the “foresight rhombus”: creativity, expertise,

evidence and interaction. The results of the application of the foresight method in strategic analysis are the basis of long-term strategies for the formation of regional, national and international strategies, which are aimed at the formation of cardinal competitive advantages. The foresight method serves to “achieve a consensus between the main “players” on the most important strategic directions of development by organizing their constant dialogue (in the framework of expert panels, working groups, seminars, conferences, etc.)” [27].

In the process of strategic planning, the most adequate is the program-target method, which allows you to coordinate strategic actions with the budget policy of the region.

Strategic management is based on a platform of imperatives, on which are placed both the principles of strategic management and the development of strategic types of potential of the regional economy.

The principles of strategic management, taking into account national and territorial characteristics, were formulated by E. Trofimova as follows:

- the principle of systematicity, which allows covering all spheres of production and economic activity at the regional level, all trends, changes and feedbacks, as well as determining the goals of activity, their subordination, comparing alternative methods of achieving the set goals;

- the principle of continuity, which ensures timely adjustment of the long-term plans being developed based on changes occurring both within the socio-economic system of the region and outside it, as well as the coherence of long-term, medium-term and annual plans;

- the principle of interconnection of prospective development plans of a specific business entity with forecasts developed vertically (region, economy as a whole) and horizontally (enterprise, suppliers and consumers of products);

- the principle of social partnership, i. e. building a new type of relationship between the government, business and the population, which ensures the coordination of their interests and goals, the pooling of resources, the deployment of joint activities and the distribution of responsibilities;

- the principle of adequacy of the system itself, which is the object of planning, which necessitates the analysis of all traditional methods of planning and forecasting and the development of fundamentally new procedures and model apparatus;

- the principle of the need to take into account the specifics and features of a particular region and include the region in global, federal, interregional socio-economic processes in order to achieve maximum benefits and advantages [28].

The specified principles are inherent to any type of regional management and do not reflect the specifics of strategic management in relation to the development of the region based on building a strong potential. Given that the principle, the imperative is the primary thing that underlies a certain set of knowledge or practical actions. It is the principles that form the platform that determines the functioning of the system of strategic management of regional competitiveness, without which the latter would not be achievable and would not fulfill its purpose.

The platform of imperatives of strategic management of the competitiveness of the regional economy provides a set of the following principles. The first group includes the principles of direct strategic management of competitiveness, which are the main features of its strategic management, organization, and mechanism of its action.

1. The principle of emergency. Emergence is the presence in the system of properties of integrity (emergent properties), that is, such properties of the system that are not inherent to its elements. Emergence is one of the forms of manifestation of the dialectical principle of the transition of quantitative changes into qualitative ones [6]. It is the strategic management of competitiveness that ensures the integrity of the development of the regional economy and the construction of its long-term advantages based on the transition of quantitative accumulations of innovative activity, the development of human potential and the activation of investment activities into a new quality of life in the region. Emergency proves that the strategic influence on the regional economy and its competitiveness should be different from the influence on the elements of this system. Compliance with the principle of emergency calls for the application of the method of program-target planning of the strategic development of the region, when the strategic goal is decomposed into a system of strategic goals and tasks that are related to the functioning of the components of the regional competitiveness system.

2. The principle of holism. Holism (from the greeks ολοζ – whole, integral) – a position in philosophy and science on the problem of the relationship between part and whole, which is based on the qualitative uniqueness and priority of the whole in relation to its parts [7]. The principle of holism of strategic management determines that the competitiveness of the regional economy is a complete system, and its individual components make sense only as part of the community. The principle of holism determines the primacy of the strategic goals of the development of the region over the goals of the development of its individual components, and accordingly, the strategic management of districts in the region should be subordinated to the strategic management of the region.

3. The principle of causal induction. Causality as a method of cause-and-effect analysis allows to evaluate various variants of the state of the object of strategic management in spatial and temporal contents, which allows to determine, predict and choose the most effective and optimal scenario of the strategic development of the region. It is believed that Aristotle was the first to speak about this connection between foresight, management and freedom. The philosopher, characterizing a free person and a slave, noted: it is the free person who, thanks to his mental properties, is capable of prediction, and therefore he is already by nature a ruling and dominant being [8, p. 10]. Causal induction as a principle of strategic management of the competitiveness of the regional economy defines such a course of action in which factors affecting individual parts of the regional system ensure a certain, predicted result of the behavior of the entire system.

4. The principle of feedback, i. e. a form of feedback that enables the managing entity to identify manifestations

of strategic management deviance. The essence of the deviance of strategic management of the development of the economic system, its meaning and methods of detection and assessment developed in the works of V. Kubiniy [9]. Deviance determines the presence and degree of deviations of the real state of the system from the target strategic guidelines (Fig. 4).

Conclusions

Summing up, it can be noted that the successful development of a metallurgical enterprise is possible only under the condition of the full activity of the entire set of interconnected economic mechanisms, as well as the formation and implementation of a system of strategies of metallurgical enterprises based on a logistic approach. We also note that the technological competitiveness of an industrial enterprise can reach a high level only if an effective system of its management is formed and operates. Therefore, the construction of such a system is impossible without the use of strategic management principles.

The absence or improper functioning of at least one link in the system of strategic priorities for the use of management of the competitiveness of industrial enterprises is accompanied by negative microeconomic

changes, deformations in the construction of industrial relations, productive forces, etc., which ultimately affects the competitiveness and dynamics of the development of these enterprises.

A well-founded set of mechanisms and approaches to choosing from existing alternatives, forming and implementing strategic priorities for the use of management of competitiveness of industrial enterprises leads to the possibility of effective, less resource-consuming, dynamic, as much as possible predicted implementation of the main, vital for increasing competitiveness and innovative transformations of the activities of these enterprises.

Strategic orientations for the internal development of metallurgical enterprises have been formed, a model for choosing and implementing a strategy for increasing the competitiveness of these enterprises has been proposed, which reflects a complex interrelated set of strategic measures, each of which obeys a single goal. The elements of the strategy can be both defensive and offensive in nature, which allows the enterprise not only to solve the problem of survival, but also to realize the prospects of development, strengthening of competitive positions, formation of competitive advantages.

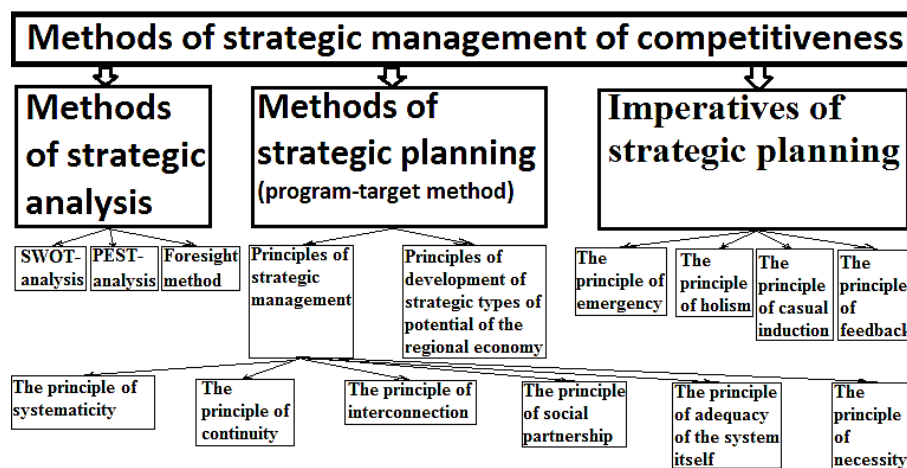


Fig. 4 – Methods of strategic management of competitiveness

Source: developed by the author based on [29–31]

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ORGANIZATION AND METHODOLOGY OF INTERNAL AUDIT AT SMALL AND MEDIUM-SIZED BUSINESSES

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ISA, audit risks

The purpose of adopting an internal audit is to constantly monitor the conduct of the organization's business activities, which leads to a timely response to any type of violation. It should be noted that the organization has the right to classify violations independently, taking into account its scale. However, legal entities subject to mandatory audit should pay increased attention to control over accounting and preparation of financial statements. The authors in the article revealed the necessity, purpose, and functions of internal audit for small and medium-sized businesses in Kazakhstan.

ОРГАНІЗАЦІЯ ТА МЕТОДИКА ВНУТРІШНЬОГО АУДИТУ В МАЛОМУ ТА СЕРЕДНЬОМУ БІЗНЕСІ

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МСА, аудиторські ризики

Метою впровадження внутрішнього аудиту є постійний контроль за проведенням господарської діяльності організації, що призводить до своєчасного реагування на будь-які порушення. Слід зазначити, що організація має право самостійно класифікувати порушення з урахуванням його масштабу. Однак юридичним особам, що підлягають обов'язковому аудиту, слід приділяти підвищену увагу контролю за веденням бухгалтерського обліку та складанням фінансової звітності. Автори в статті розкрили необхідність, призначення та функції внутрішнього аудиту для малого і середнього бізнесу в Казахстані.

Introduction

Internal audit at an enterprise is an activity that is aimed at providing objective and independent advice and guarantees for improving the company's activities.

The purpose of internal audit is to assess risks, ways to reduce them, as well as increase the profitability of business processes. The auditors' consultation includes an assessment, analysis and report on the productivity and reliability of the processes. They are addressed directly to the administration of the organization [1].

How much do business owners need internal audit? How can internal audit be useful and how can it help company managers?

The conclusion on whether the company needs an internal audit is made by the owners and the top executive management of the organization. This decision is determined by many factors, such as: separation of the ownership and management functions of the business; the size and structural development of the company; the level of risks inherent in the company's activities.

The main part

In cases where business owners are listed as managers of the company and themselves directly control all sides

and aspects of the business, the internal audit function may not be necessary. However, with an increase in the volume of the company and an increase in the complexity of management processes, owners-managers may have the appearance of control. Sometimes it seems that the business is not changing much and all aspects and forms of the company's activities are under control. But in fact, the leadership no longer has enough physical ability and strength to control the situation in its entirety. In a situation with such factors, an audit may be necessary and very useful.

It should be noted that in Europe and the USA, the interweaving of business ownership and management functions is characteristic of small and to some extent medium-sized businesses. In large and many medium-sized companies, there is a distribution of these functions (this objective nature is beginning to be traced in Russian companies as well) [1]. The owners are engaged in determining the strategy and directions of the company's development. And professional managers are hired to manage and organize everyday details and conduct business. But no matter how impeccable the management is and no matter how it is not trusted, the issue of controlling the state of affairs within the company remains important for the owners ("trust, but

check”). And in this case, internal audit can become an effective means of control.

Internal audit is necessary for both owners and management of the company. The task of managers is to manage the business, achieving the set goals in a particularly effective way. The success of this goal depends to a greater extent on two factors:

1) the most important is whether the manager has the information necessary to make the right management decisions;

2) the second factor is whether there is an effective system for monitoring the implementation of decisions made.

Managers themselves, for whom business management is part of daily work, cannot always objectively assess the situation, because they do not delve into the essence of the matter. Even if the manager believes that he is in control of the process, he does not have the time and certain skills to collect and structure the necessary data and information. Internal audit, in essence of its work, has information on all shades and aspects of the organization’s work. And it is also a tool for summarizing and studying data, so close interaction with internal audit increases the productivity and efficiency of management decision-making. In particular, internal audit is an objective information document that helps the manager to look differently, to look with a “fresh look” and assess the quality of implementation of management decisions [2].

At the same time, the question arises: is internal audit necessary for the owners and management of the organization? Or useful are the functions that in Kazakhstani companies are traditionally performed and performed by internal control services and control and audit departments. It should be noted that in the current practice of foreign companies, internal audit services have become more widespread. Internal control services are extremely rare, rather than external ones; and analogues of control and audit departments are not common at all.

How many and which control bodies are in the company is determined by the needs of the owners and management. A particularly important role in decision-making is played by the position of the control environment in the organization and the level of development of corporate culture. If the internal control and risk management systems are not built correctly or work inefficiently, then an internal audit is necessary. The field of activity for internal audit is becoming too narrowly focused, since the task of internal audit is to assess the effectiveness of these systems. In this case, the primary task for management is the design and introduction of a control system – this has traditionally been done by internal control services in large Kazakhstani companies.

Since the construction of an internal control system is a laborious and long process, the objective need for a certain area is the presence of a special unit in the organization. In this case, the activities of the special unit will be aimed at identifying shortcomings and abuses, acting as a corporate supervisory authority in its “pure form”. However, it should be remembered that the audit activity is aimed at retrospect, which means past events and their consequences. Internal audit is aimed at the future, i. e. to analyze future events that may adversely affect the activities of individual departments and the organization as a whole. In other words, the audit evaluates the consequences of already materialized risks that have already occurred. While internal audit evaluates the possibility and suggests ways and means to reduce risks and/

or negative effects of their impact. The presence of a control and audit department in the company does not in any way mean that an internal audit is not needed. Everything is determined by what stage of its development the company is at and in which direction, from the point of view of internal corporate culture, the company will move forward.

It should also be emphasized that external and internal audits perform different functions, their decision on the need for an internal audit should not be determined by the presence of an external auditor in the company. Consider their functions:

1. An external audit is engaged in verifying the completeness of the company’s financial statements and focuses on events and transactions that may have a material impact on the financial statements of the organization. And internal audit is aimed at evaluating the existing control systems, risk management of the organization and is fixated on operations and events that hinder the effective achievement of the goals of the organization. It is worth noting that the recent changes in the law of most countries, especially the USA, assess the reliability of the system of control over the financial and accounting statements of an organization, which is important for external audit.

2. External audit, during the audit process, does not assess the economic validity of management decisions and the effectiveness of structuring activities, which, as a rule, is the main task of internal audit.

3. External audit is intended mainly for the needs of external interested parties – potential investors, creditors and others. While internal audit is needed, first of all, in the interests of the company’s boards of directors and managers [2].

Note that a productive internal audit can help reduce the costs of an organization for external audit. In particular, if the external auditor is able to rely on the results of the internal audit, it will reduce the amount of audit work performed by the external auditor. But this cannot cancel the need for an external audit for the organization. It should also be taken into account that it is not recommended to use the services of an external auditor of an organization to conduct internal audits, since such a combination can lead to a dispute of the interests of an external auditor. In the legislation of some countries, such a combination is strictly prohibited, for example, the Sarbanes-Oxley Law in the USA. In addition, it is necessary to take into account changes made to international auditing standards such as ISA 230, 300, 450, 500, 610. These audit standards make it possible to competently organize an internal audit [3].

Based on this, the fact of the existence of an effective internal audit becomes critical for the successful development of the organization in the conditions of rapid changes in the external environment. In addition, it is necessary to add more complicating management processes, separation of ownership and business management functions. How useful and effective an internal audit will be for the organization depends more on what goals will be set for it.

A variety of the organization of the internal audit system are:

1) creation of a structural unit of internal audit at the enterprise, which employs the head and a number of professionals in the field of audit;

2) signing of a consortium for further internal audit by third-party companies – the organization acquires high-quality services, as well as a variety of specialists;

3) strategic partnership is the involvement of professionals who interact with internal employees who do not have the skills to perform a particular task [4].

Types of internal audit mechanism systems:

1. Hierarchical structure of subordination – the head of the organization acts as the top level of authority, that is, the internal audit department reports directly to the director of the company.

2. Line-staff subordination – the internal audit department is sorted into blocks, the head of the internal control service assigns responsibilities to the managing blocks.

3. Combined structure (mixed type of subordination) – delegating to individual structural units a share of the duties of internal auditors [2].

Internal audit is carried out by objects (Fig. 1), the audit can cover only one object, or all at once, if the audit is large-scale.

The sources of resources are the following:

- economic processes;
- economic results of operating activities;
- organizational forms and methods of management.

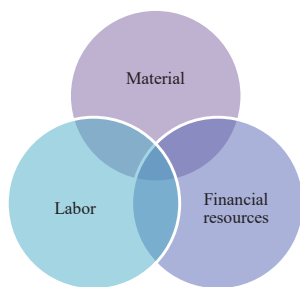


Fig. 1 – Objects of internal audit

Note: compiled by the author on the basis of the studied data

The methods of control are all kinds of tools, which in turn help to realize the goals set. The standard requires that these methods, which consist of planning and developing control security measures, contribute to achieving maximum accuracy and minimizing risk during verification [5].

The most productive technique for capturing audit certificates is the use of computer equipment with packages of specialized programs that make it possible to compile reconciliation and verification programs.

There are two methods to obtain audit information: audit with automation, audit without automation. The company uses the automation method as a priority. When using the second audit method without automation, printed factual data and source data are collected and reviewed. To use the automation method, you need to have

computer programs. The programs check the contents of the organization's documents, control information used by internal auditors in order to control the functioning of the organization's computer programs. The collection of information data is carried out with the help of: monitoring conducted by the internal control of the organization, research of documentary data; separate control of each part of the program and general control [4].

Currently, many internal auditors use expert systems when conducting control. Expert systems are computer programs that use unique programming methods to present information to the user and improve the methodology of internal audit. They are used when planning internal audits, conducting audits and preparing conclusions or reports.

Conclusion

Based on the conducted research, we have identified several key factors that hinder the development of internal audit in the Republic of Kazakhstan:

- insufficient level of unity and orderliness of the internal audit system;
- inadequate level of personnel training (theoretical and practical) of the entire internal audit system;
- the complexity of assessing the activities of internal audit and establishing the level of confidence in the testimony of the ICS by an external auditor;
- lack of understanding by the heads of SME companies of the necessity and scope of the benefits of internal audit;
- insufficient understanding that the costs of implementing and conducting internal audit are fully recoupable and cost-effective in the current market conditions.

Consequently, we offer:

- enrichment of the information base of internal audit, through the publication of manuals, reference books on the conduct of internal audit;
- expansion of the regulatory framework in this aspect, i. e. the creation of amendments to legislative acts for the mandatory implementation of internal audit in certain economic spheres of activity;
- distribution of software application in the field of internal audit;
- popularization and scaling of educational programs for internal auditors. To improve audit literacy, for example, the creation and support of courses, specializations in higher education institutions, the organization of webinars and online learning opportunities.

Based on the results of all the above, we believe that using all our arguments in practice can lead to maximum efficiency and development of SMEs in the Republic of Kazakhstan.

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COMPETITIVE APPROACH TO THE FORMATION OF MARKET STRATEGY AT INDUSTRIAL ENTERPRISES

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Key words:

competitors, competitive strategies, industrial market, competitive advantages, level of competitive advantages

The article is devoted to topical issues of formation of modern competitive market strategy of industrial enterprises. The issue of identifying the current level of competitive advantages in the industrial market was considered. The differences of the industrial market in the framework of the formation of the competitive strategy of the enterprise are determined. The matrix of market situations according to the level of competitive advantages of the enterprise is built, which considers the level of competitive advantages as a relative value and takes into account the actions of competitors in a given market. The probable reasons why the enterprise under study may find itself in one of the situations under consideration are considered, and a descriptive analysis was carried out for each situation. The negative consequences that may affect the enterprise are also predicted, and the possibilities of their avoidance are considered. Separately, it should be noted that the article provides recommendations on approaches to the formation of a competitive strategy for the enterprise under study, based on the predicted situations. The relevant conclusions on the process of forming an actual competitive strategy in the industrial market are presented.

КОНКУРЕНТНИЙ ПІДХІД ЩОДО ФОРМУВАННЯ РИНКОВОЇ СТРАТЕГІЇ НА ПРОМИСЛОВИХ ПІДПРИЄМСТВАХ

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Ключові слова:

конкуренти, конкурентні стратегії, промисловий ринок, конкурентні переваги, рівень конкурентних переваг

Стаття присвячена актуальним питанням формування сучасної конкурентної ринкової стратегії промислових підприємств. Було розглянуто питання виявлення актуального рівня конкурентних переваг на промисловому ринку. Встановлено відмінності промислового ринку у рамках формування конкурентної стратегії підприємства. Побудовано матрицю ринкових ситуацій згідно рівня конкурентних переваг підприємства, яка розглядає рівень конкурентних переваг як відносну величину та враховує дії конкурентів на заданому ринку. Розглянуто ймовірні причини, за яких досліджуване підприємство може опинитися в однієї з розглянутих ситуацій, та було проведено описовий аналіз відповідно кожної ситуації. Також прогнозовано негативні наслідки, що можуть вплинути на підприємство, розглянуто можливості їх уникнення. Окремо слід зазначити, що в статті було надано рекомендації з підходів до формування конкурентної стратегії для досліджуваного підприємства, які виходять з прогнозованих ситуацій. Представлено відповідні висновки щодо процесу формування актуальної конкурентної стратегії на промисловому ринку.

Statement of the problem

Today, perhaps, there are no such industries where there is no fierce competition. Even those goods that at first glance do not have proper analogues, very often in the shortest possible time get competitors in their field, which begin to intercept their market share, and this gives reason for enterprises to analyze not only their consumers, but

also the activities of competitors in their industry. There are many factors of the external and internal environment, on the analysis and reaction of the enterprise depends on its success in this competition, which in turn raises the question of the formation of a modern competitive strategy, especially in highly competitive areas where the number of consumers of goods is low, but the market volume is large,

in particular mining, processing industry, construction, electricity, gas, water supply and sanitation, transport, warehouses and communication services [1].

Analysis of recent researches and publications

The issue of formation, coherence and implementation of competitive strategies and activities of industrial enterprises was studied by the famous scientist M. Porter [2]. It was he who provided a more in-depth concept of strategy as a directed activity of the enterprise. The possibility of improving competitive advantages in the context of modern trends in mechanical engineering was studied more deeply by A. Adamik [3]. She also noted that partnership in creating unique competitive advantages is possible, but now enterprises are quite specialized. It should also be noted that O. Zozulov [4; 5], V. Vyshnevska [6], T. Iichenko [7], L. Barsuk [8] studied certain aspects of the industrial market, made certain conclusions about its specifics and their generalized form is given in this paper. The issue of the importance of competitive advantages was also raised by M. Sajdak [9], and innovative methods of creating competitive advantages were studied by P. Juszczuk [10].

Objectives of the article

The article is aimed at developing theoretical and methodological provisions and practical recommendations for the formation of competitive strategies of enterprises for the production of industrial goods.

The main material of the research.

When there is a sustained struggle between long-standing competitors, their skills start to improve. In recent years, leading companies in various fields, be it transport, mechanical engineering or electrical equipment manufacturing, have been continuously working on their competitive strategies. It is the improvement of theoretical aspects of competitive strategy that gives them the opportunity to reach new levels of competition. The modern definition of competitive strategy is a deliberate activity that distinguishes you from competitors [2]. Based on this, we can conclude that the improvement of competitive strategy is associated with the improvement of competitive advantages. That is why enterprises primarily focus on them, thus providing the consumer with a unique experience of using their products, which in turn increases the competitiveness of the enterprise in the eyes of the consumer [9].

However, the competitiveness of an enterprise is a relative value, and varies both within a certain geographical region and within individual fields of activity. Of course, the more sellers there are in a market, the stronger their competition, but the physically limited number of buyers is also a significant factor in driving the development of competitive methods. Such an example is the industrial market, within which some researchers, in particular O. Zozulev, distinguish closed markets [4]. The features of industrial markets that should be taken into account when forming a competitive strategy are as follows:

- competitive advantage is measured to a greater extent by the technical characteristics of the product [5];
- high competitive requirements for Internet marketing [6];
- multi-purpose orientation of sales promotion [7];
- direct sales are the most effective among the promotion tools [8].

As for the interaction with closed markets, the peculiarity of the approach to them is the advantage of old players [4].

It should be noted that in order to form an actual competitive strategy, it is necessary to analyze the dynamics of competitiveness in recent years. The trend of changes in competitiveness will help to choose the direction of the competitive strategy of the enterprise. To obtain the necessary information on competitiveness, one should use the matrix of changes in competitive advantages.

When building the matrix, the decline in the level of competitive advantages of enterprises was not considered, due to the assumption that the decline in competitive advantages is likely to be caused by unfavorable external factors that would equally affect all enterprises, and since the author considers competitive advantages in relation to other enterprises, in this case the situation will be similar to sustainable competition.

Table 1 – Directions of changes in the level of competitive advantages of the enterprise

Competitive advantages of the researched enterprise / other enterprises	Increasing the level of competitive advantages of other enterprises	Sustainable level of competitive advantages of other enterprises	There are no direct competitors or they are not represented in this market
Increasing the level of competitive advantages of the researched enterprise	Intense competition	Ahead of competitors	Partial or full monopoly
Sustainable level of competitive advantages of the researched enterprise	Lagging behind competitors	Sustainable competition	Partial or full monopoly

Thus, after assessing the change in competitive advantages, five possible situations can be obtained:

1. Intense competition.
2. Ahead of competitors.
3. Lagging behind competitors.
4. Sustainable competition.
5. Partial or full monopoly.

Each of these situations has its own causes and consequences and requires separate actions, so let's consider each of them separately.

Intense competition. This situation will arise if the level of competitive advantages of the enterprise under study and its competitors increases. In some cases, such a situation may arise under three scenarios:

1. Enterprises improve their joint competitive advantages.

2. Enterprises improve their unique competitive advantages.

3. Mixed case involving three or more enterprises.

According to the scenarios, you can seize the initiative in the most profitable way. In the first scenario, having a common focus on competitive advantages, the one who has them more qualitatively expressed will be more competitive. Of course, the conditions cannot be completely mirrored, so you should look for those aspects where you can get more benefit with minimal effort. Trying to improve those aspects in which the competitor is stronger means spending a lot of resources without a guarantee of benefit or equalization of these indicators. Having a greater advantage in the same competitive indicators it will be more efficient to improve them further. In the second scenario, you should pay attention to the competitive advantages of other enterprises and try to implement them. Copying in modern market conditions is a very reliable strategy, but, as a rule, only the best are copied. In the third case, you should pay attention to the segment leaders, their competitive advantages. If they are attractive, you may be tempted to copy them, but in such a diverse situation, you should first of all take care of your own identity.

As for the possible consequences, it can be said that if the active phase of competition continues for a long time, it will lead to the depletion of resources of sellers in this segment and vulnerability to new market entrants with a new view of competition. Therefore, it is desirable to narrow your own segment, thus getting rid of some of the competitors, and to consolidate the already won market share with defensive marketing actions.

Ahead of competitors. This situation will arise under the condition of increasing the level of competitive advantages of the researched enterprise and a stable level of competitive advantages of other enterprises.

This situation may arise in at least two scenarios:

1. Adverse external conditions or crisis phenomena delayed the development of competitive advantages of other enterprises or they caused their deterioration, and the researched enterprise was able to overcome them, which became its competitive advantage.

2. The success of a certain risky measure or know-how has caused a greater increase in the level of competitive advantage.

According to any scenario, recalling the recommendations to the rules of chess: if you have an advantage in development, you must implement it. Indeed, if it is an innovative technology, competitors will use it, and if it is a unique competitive advantage, it can be reproduced. Therefore, during this time, when competitors will try to carry out certain manipulations, you should quickly and decisively capture their market share using attacking strategies. However, depending on the situation, it may be advisable to spend time on consolidating the existing market share.

As for the possible consequences, we can say that they are successful if the profit from the new market share

is greater than the cost of gaining greater competitive advantages.

Lagging behind competitors. This situation is undesirable. It can arise in at least three ways:

1. Unfavorable external conditions and crisis phenomena that had a greater impact on the enterprise under study or lack of resources to overcome them.

2. The researched enterprise is a relatively new and unknown market participant.

3. Steady lag over time, which arose due to certain mistakes in the enterprise strategy.

Considering the first scenario, it should be noted that the external conditions are quite volatile, and it may be necessary to choose a strategy of protection and use a minimum of resources, waiting for a successful option to return to the same level. In this case, guerrilla strategies are very suitable. The general recommendation would be to follow the trends and avoid risky strategies. In the second scenario, the strategy should include the use of intensive marketing and innovation. Having the necessary amount of resources it is appropriate to use risky strategies. Regarding the third scenario, it should be noted that industrial enterprises, unlike the consumer sector, understand that there are no unoccupied market segments when developing their competitive strategy, and any loss of consumers is critical due to their size and small number. Therefore, the situation should be corrected as soon as possible. This often happens with old enterprises that require significant investments and restructuring. However, it should be noted that despite the fact that there are no unoccupied segments in the industrial market, sometimes new needs are spontaneously created, which grow into sectors of industry, and such new markets are a great opportunity for enterprises lagging behind competitors.

As for the consequences, they are unfavorable, and the company needs to demonstrate some success to enter the league of medium-sized market players.

Sustainable competition. This situation arises in the absence of improvement of competitive advantages at enterprises, and can be created in at least two ways:

1. The high cost of improving competitive advantages, which casts doubt on their feasibility.

2. Lack of ambition or unwillingness to take risks among market participants.

Considering the first scenario, it can be noted that it should be considered as one of the possible options in combination with the second scenario and concerns primarily expensive complex products, such as industrial ventilation systems, substations for electric transport, etc. In some cases, the life cycle of a product from market launch to modernization can take decades. This may be due not only to the cost and time of improving the existing product model, but also to the change of means of production and adjustment of production lines. As for the second scenario, it can be both a separate reason and in combination with the first one. In any case, the enterprise should focus on affordable, less resource-intensive methods of improving its competitiveness and competitive advantages. For example, improve pre-sale and after-sale service, or even resort to innovative

methods of creating new competitive advantages through special communications with the consumer [10].

In the case when there is a certain crisis of improving competitive advantages, it makes sense to integrate efforts to protect the market from foreign companies that have greater resource potential [3].

As for the possible consequences, sustainability leads to the vulnerability of market participants to new players.

Partial or full monopoly. In case of offering a new product for a certain market, an enterprise may become a temporary monopolist.

This can be considered as a certain advantage over future competitors. The main thing during this time is to gain a significant market share, because with the emergence of at least one direct competitor, the monopolist will lose part of the market. Often, in order to reduce such losses, an industrial enterprise tries to reduce the compatibility of its goods with substitute goods or complementary goods of foreign production. For example, LLC "Pluton" produces the only in Ukraine arcless DC circuit breaker of ultra-fast action, which is completed in traction substations on a turnkey basis, which increases the cost of the order several times. Competitors on the contrary will try to increase the level of compatibility of

goods with the market leader.

As for the possible consequences, this situation can change very quickly, so you should focus on consolidating your market share.

Thus, the choice of competitive strategy depends on the situation in which the enterprise is, the reasons that led to it and the relevance of the direction of development of the enterprise.

Conclusions

The analysis can be the reason for the following conclusions:

1) the level of competitive advantages, both of the enterprise under study and of other market participants, requires observation to establish it;

2) compliance with a certain level of competitive advantages provides information about the general state of the enterprise in the market and the industry as a whole;

3) competitive strategy will become more reasonable if its development takes into account the state of the enterprise and other market participants;

4) the same state of the level of competitive advantages may have different ways of formation and require different market actions.

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FORMATION AND IMPLEMENTATION OF THE MECHANISM OF ANTI-CRISIS MANAGEMENT OF OPERATIONAL ACTIVITIES OF INDUSTRIAL ENTERPRISES IN CRISIS CONDITIONS

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Key words:

anti-crisis management,
mechanism of anti-crisis
management, operational activity,
crisis, effectiveness

The article is devoted to the study of the need for anti-crisis management of the activities of enterprises in the conditions of the negative influence of factors of the market environment, the emergence of a crisis. It was determined that crisis phenomena affect the efficiency of enterprises through the indicators of operational activity, which influences the level of their profitability, and timely diagnosis, identification, and overcoming of the crisis are expedient. The advisability of anti-crisis management of the operational activities of enterprises has been clarified, which will allow to neutralize opportunely the negative influence of external factors, eliminate the threats and risks, as well as the need for the development and implementation of anti-crisis management tools. A mechanism of anti-crisis management of the operational activities of industrial enterprises is proposed, which performs the main role in the implementation of management, lets to develop methods, directions, ways of preventing and overcoming the crisis. Complex, situational, integration approaches were used to build the management mechanism, interaction with enterprise systems was taken into account. The advantage of the anti-crisis management mechanism is that it consists of interconnected elements, stages, and its realization permits for diagnosis, preservation, identification, prevention, overcoming of crisis phenomena in operational activities, to develop anti-crisis measures by considering the state of operational activities. It was determined that the implementation of the anti-crisis management mechanism will ensure an increase in the efficiency of operational activities in the short term, and will allow establishing the need to perform the strategy of anti-crisis management of operational activities. A scheme for interpreting the results of the assessment of production and sales activities, determining the effectiveness of the anti-crisis management mechanism has been formed, which allows defining the effectiveness of its use, obtaining the desired effect and developing appropriate corrective measures for the further use of the mechanism.

ФОРМУВАННЯ ТА ВПРОВАДЖЕННЯ МЕХАНІЗМУ АНТИКРИЗОВОГО УПРАВЛІННЯ ОПЕРАЦІЙНОЮ ДІЯЛЬНІСТЮ ПРОМИСЛОВИХ ПІДПРИЄМСТВ В КРИЗОВИХ УМОВАХ ФУНКЦІОНУВАННЯ

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Ключові слова:

антикризове управління,
механізм антикризового
управління, операційна
діяльність, криза,
результативність

Стаття присвячена дослідженню необхідності антикризового управління діяльністю підприємств в умовах негативного впливу факторів ринкового середовища, виникнення кризи. Визначено, що кризові явища впливають на ефективність роботи підприємств через показники операційної діяльності, що позначається на рівні їх прибутковості та доцільним є своєчасна діагностика, ідентифікація, подолання кризи. З'ясовано доцільність антикризового управління саме операційною діяльністю підприємств, що дозволить своєчасно нейтралізувати негативний вплив факторів зовнішнього середовища, ліквідувати загрози та ризики, а також необхідність розробки і впровадження інструментів антикризового управління. Запропоновано механізм антикризового управління операційною діяльністю промислових

підприємств, який виконує основну роль у здійсненні управління, дозволяє розробити способи, напрямки, шляхи попередження і подолання кризи. Для побудови механізму управління використано комплексний, ситуаційний, інтеграційний підходи, враховано взаємодію із системами підприємства. Перевагою механізму антикризового управління є те, що він складається із взаємопов'язаних елементів, етапів та його реалізація дозволяє здійснити діагностику, профілактику, ідентифікацію, попередження, подолання кризових явищ в операційній діяльності, розробити антикризові заходи шляхом врахування стану операційної діяльності. Визначено, що впровадження механізму антикризового управління забезпечить підвищення ефективності операційної діяльності в короткостроковому періоді, дозволить встановити необхідність реалізації стратегії антикризового управління операційною діяльністю. Сформовано схему інтерпретації результатів оцінки виробничої і збутової діяльності, визначення результативності механізму антикризового управління, що дозволяє визначити ефективність його використання, отримання бажаного ефекту та розробити відповідні коригуючі заходи щодо подальшого використання механізму.

Statement of the problem

The market environment has a negative impact on the efficiency of industrial enterprises, which affects the indicators of operational activity and the level of profitability. There is a need to implement anti-crisis management of operational activities in order to diagnose, prevent and neutralize the negative impact of environmental factors and crisis phenomena. In order to ensure the effectiveness of management, it is advisable to form and implement anti-crisis management tools, which will allow diagnosis, prevention, identification, overcoming of crisis phenomena in operational activities, and determination of possible problems. Therefore, it is expedient to use the mechanism of anti-crisis management of the operational activities of industrial enterprises, which will permit to increase the efficiency of activities, to form anti-crisis measures.

Analysis of recent studies and publications

Issues of formation, implementation of the mechanism of anti-crisis management at enterprises, implementation of anti-crisis management, peculiarities of management of operational activities are investigated in the works of domestic scientists-economists. In particular, in the work of Amosov O. Yu., Didenko N. V., Lebedeva K. Yu. an algorithm for introducing organizational changes at the enterprise is introduced, the stages of the anti-crisis management mechanism are defined [1, p. 34–36] and Mostenska T. L., Yurii E. O. analyzed the procedure, tools of anti-crisis management [11, p. 66–71]. A mechanism of anti-crisis financial management and stages of anti-crisis management are proposed by Bilomistna I. I., Bilomistnyi O. M., Kramska M. S. [2, p. 91–95]. In the work of Havrylenko T. V., Vitko V. Iu. the mechanism of ensuring anti-crisis activity is also analyzed [5, p. 102–103]. Group of authors Voskoboyeva E. V., Romashenko O. S. considered the basic principles of anti-crisis management, the anti-crisis program of the enterprise [4, p. 88–91] and Makhovka V. M. investigated the methods and functions of anti-crisis management [10, p. 220–224].

In addition, the group of authors Hasanov S. S., Shtanhret A. M., Kotliarevskiy Ya. V., Melnykov O. V., Minaieva T. S. studied the theoretical and applied aspects of anti-crisis corporate management [6] and Cherep A. V., Korgenevskaya V. N. investigated the importance of anti-crisis management for enterprise activity [16, p. 19–23].

The author Volkova M. V. regarded the peculiarities of using the functional structure of the operating system at the enterprise [3, p. 26–28] and Sarychev D. O. investigated the features of managing the effectiveness of operational activities [15, p. 138–142].

Heleveria Ye. M., Sumets N. V. proposed an anti-crisis management algorithm [7, p. 244–247], as well as the mechanism of anti-crisis management at enterprises is considered in the works of Zveruk L. A., Davydenko N. M. [8, p. 71–74], Malchyk M. V., Oplachko I. O. [9, p. 143–147], Ostapenko L. S. [12], Pohrebniak A. Iu. [13, p. 303–309], Sak T., Yushchyshyna L. [14, p. 68–73].

However, there is no comprehensive approach to the formation and implementation of the mechanism of anti-crisis management of operational activities of industrial enterprises, its practical significance for enterprises is not defined. There is also no scheme for interpreting the results of the assessment of production and sales activities, determining the effectiveness of the mechanism of anti-crisis management of operational activities, which confirms the relevance of the study.

Objectives of the article

The purpose of this work is the formation of a mechanism for anti-crisis management of operational activities of industrial enterprises; development of a scheme of interpretation of the results of the assessment of production and sales activities, determination of the effectiveness of the mechanism of anti-crisis management of operational activities.

The main material of the research

Industrial enterprises function under the conditions of variability of the market environment, which affects the efficiency of their activities through the state of operational,

financial, and investment activities. However, the level of profitability of the enterprise depends on the effectiveness of operational activities, which are constantly affected by crisis phenomena and threats. Accordingly, there is a need to implement anti-crisis management of operational activities, which will allow timely detection and neutralization of the influence of the market environment. In order to increase the efficiency and effectiveness of anti-crisis management of operational activities, there is a need to develop and implement appropriate tools that will allow effective management decisions, create anti-crisis measures, and raise the effectiveness of production and sales activities.

Based on the results of the conducted research, it should be noted that most scientists consider the theoretical, practical, methodical significance of the anti-crisis management mechanism, the development of anti-crisis measures, and the negative impact of the market environment. Respectively, there is no anti-crisis management mechanism in operational activities, and its practical importance has not been specified. During the development of the mechanism of anti-crisis management of operational activities, it is advisable to take into account the state of operational activities, the emergence of threats of crisis phenomena.

Considering the above, a mechanism of anti-crisis management of operational activities of industrial enterprises (MAMOAIE) is proposed, which is built by using complex, situational, integration approaches, taking into account interaction with enterprise systems and consists of interconnected elements, stages (Fig. 1). The application of the approach will provide diagnosis, prevention, identification, preservation, overcoming of crisis phenomena in operational activities, allows to develop anti-crisis measures for production and sales activities based on taking into account their condition, will guarantee an increase in the efficiency of operational activities in the short term, determine the need to implement an anti-crisis management strategy of the operational activity.

The main advantages of MAMOAIE are as follows: taking into account the sectoral features of the operational activities of enterprises; detailing the procedure for implementing anti-crisis management of the operational activities of enterprises; clarity of definition of expected results; the possibility of identifying problems in the operational activities of the enterprise; considering the influence of internal and external environmental factors; formation of anti-crisis measures in operational activities; in accordance with the state of operational activity and the level of influence of threats of crisis phenomena. The use of such an anti-crisis management mechanism will allow machine-building enterprises to take timely measures to restore and improve the indicators of production and sales activities and avoid the situation of deterioration of the efficiency of functioning by means of timely analysis of factors of the external and internal environment, identification of threats of crisis phenomena.

MAMOAIE is based on the observance of complex, situational, integration approaches. The use of these approaches will make it possible to form methodological principles for the implementation and realization of the

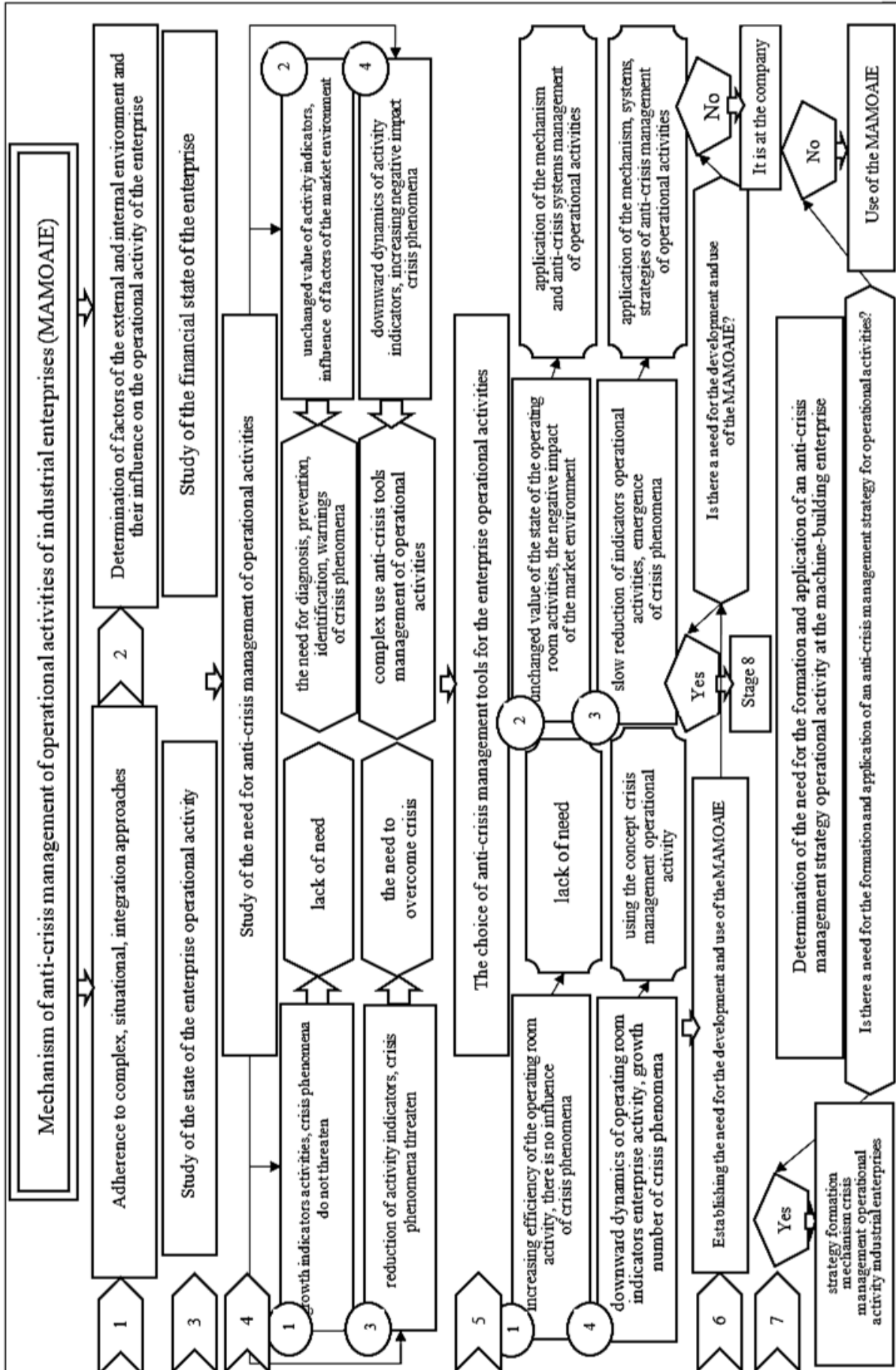
mechanism of anti-crisis management of operational activities, will ensure the consistency of actions, processes, coherence of work, the achievement of increasing the efficiency of operational activities and will affect the implementation of the strategy of anti-crisis management of operational activities.

An important stage of MAMOAIE is the determination of factors of the external and internal environment and their impact on the operational activities of the enterprise. Based on the results of the study, the following groups of factors were formed, namely: factors influencing the efficiency of the operational activity of industrial enterprises; factors influencing the effectiveness of anti-crisis management of operational activities of industrial enterprises; factors leading to the occurrence of crisis phenomena in the operational activities of industrial enterprises. The specified factors will be taken into account when using the anti-crisis management mechanism, which will allow a thorough analysis, timely neutralization of the influence of these factors and the formation of measures to avoid crisis phenomena.

It is important to study the state of the company operational activity, that is, to calculate indicators to assess the effectiveness of operational activity. It is necessary to carry out a SWOT-analysis, which will allow to determine the strengths and weaknesses, threats and opportunities specifically in operational activities. The results of a successful analysis will permit to make the right management decisions and take into account the information when determining the need for implementing anti-crisis management of operational activities. In addition, it is envisaged to carry out a study of the financial state of the enterprise, which will contribute to the assessment of the effectiveness of the activity, the identification of problems in functioning, the identification of signs of crisis phenomena, and the establishment of the advantages of the activity.

The next step is to study the need for anti-crisis management of operational activities. In order to carry out such a research, an analysis is performed in two directions, namely: assessment of the results of the financial and economic activity of the enterprise (financial stability, solvency, business activity, profitability); assessment of the efficiency of the enterprise operational activity. Depending on the obtained results of the study, a decision is made about the need or lack thereof in the implementation of anti-crisis management of operational activities.

Having determined the need to realize anti-crisis management of operational activities, you can proceed to the stage of choosing tools for anti-crisis management of operational activities of the enterprise. Among the tools of anti-crisis management of operational activities, we propose to highlight the following: mechanism of anti-crisis management of operational activities; system of anti-crisis management of operational activities; the mechanism of forming the strategy of anti-crisis management of operational activities. According to the state of operational efficiency of the enterprise and the level of threats of crisis phenomena, a decision is made to choose one or another anti-crisis management tool. We



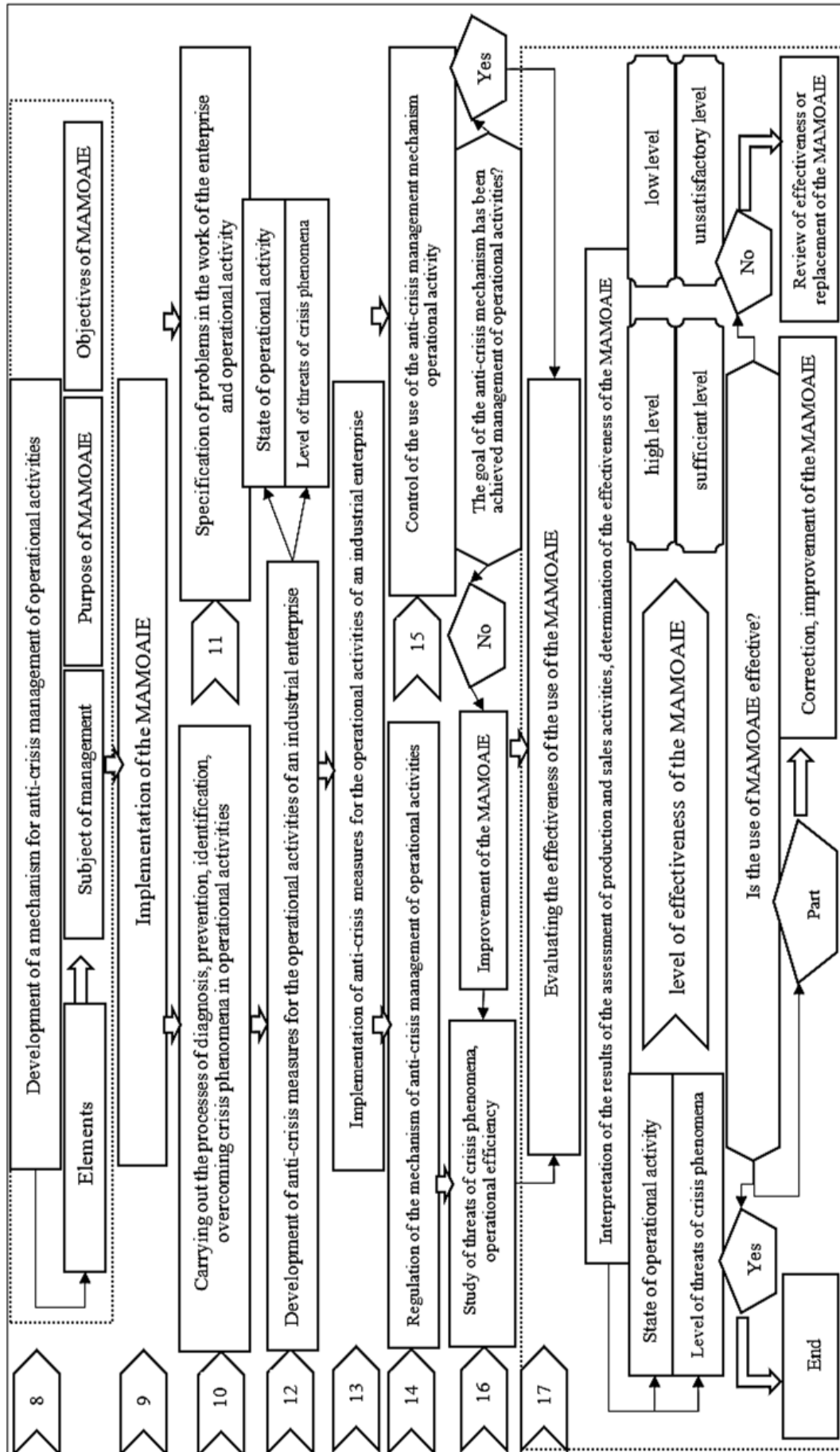


Fig. 1 – The structure of the mechanism of anti-crisis management of operational activities of industrial enterprises

Note: suggested by the author

note that the implementation of anti-crisis management tools at machine-building enterprises will have a positive effect and ensure the achievement of the desired result.

Next, the need to develop and use MAMOAIE should be established. If it is found that the enterprise has weaknesses, threats, there has been a decrease in the efficiency of operational activities and general results of financial activities, a negative influence of internal and external environmental factors is observed, a decision is made about the need to develop and use the anti-crisis management mechanism and its further implementation. However, if the enterprise has steadily growing indicators of its financial condition, production and sales activities, is functioning successfully and the anti-crisis management mechanism is already in use, then there is no need to form a new mechanism.

The stage of defining the need for the formation and application of an anti-crisis management strategy for operational activities at the machine-building enterprise is also important. We believe that in order to ensure the growth of indicators of production and sales activity, to counteract the threats of crisis phenomena, to increase the effectiveness of the activities of enterprises, along with the application of MAMOAIE, it is appropriate to use the anti-crisis management strategy. Therefore, taking into account the results of the assessment of the indicators of the financial and economic activity of the enterprise, the efficiency of operational activity and the level of threats of crisis phenomena, a decision is made about the need to develop and use the strategy of anti-crisis management of operational activities. Under the condition of growth of operational activity indicators, absence of threats of crisis phenomena, there is no need to apply the strategy and the mechanism of anti-crisis management of the operational activities of the enterprise should be used.

Having determined the need to use MAMOAIE, it is advisable to proceed to the stage of mechanism development. At this stage, the mechanism is planned and organized. In addition, the mechanism of anti-crisis management of operational activities is absent at the enterprise, and therefore its formation is a necessary condition.

Taking into account the need to use MAMOAIE, during its development, the management subject should be determined, that is, a special department for anti-crisis management of operational activities. This department will be responsible for the use of the mechanism of anti-crisis management of operational activities, must contain qualified employees who are knowledgeable in the implementation of anti-crisis management. At the same time, management subjects have an influence on the researched management object and there is a feedback relationship between them.

Before using the anti-crisis management mechanism, it is necessary to clarify its goals, which ensure effective work. Among the main purposes of MAMOAIE, we include the following: creation of conditions at the enterprise for the use of the mechanism; coherence of work of all stages of the mechanism; data exchange with the crisis management system; creation of prerequisites for the implementation of the strategy of anti-crisis

management of operational activities; achieving the goal in the short term; making management decisions and their further realization in the anti-crisis management system; interaction with the enterprise management system, operational activity management system, enterprise anti-crisis management system; preventing the emergence of crisis phenomena in sales and production activities and taking into account the state of operational activities; constant research of the market environment, crisis phenomena; development of anti-crisis measures for operational activities and their use; ensuring the overcoming of crisis phenomena.

We also formed the purpose of MAMOAIE, which is to provide diagnostics, identification, prevention, overcoming crisis phenomena in operational activities, the formation of anti-crisis measures for production and sales activities, the organization of effective anti-crisis management of the operational activities of machine-building enterprises in the short term, increasing the level of supply, production activity, sales activities, determination of needs in the implementation of the anti-crisis management strategy.

The implementation stage of MAMOAIE is important. It is assumed that the use of the mechanism of anti-crisis management of operational activities will be carried out at machine-building enterprises during the short-term period and ensure the achievement of the desired results, subject to compliance with the specified chronology of stages. The process of realization the mechanism will be handled by a special department for anti-crisis management of operational activities, which will monitor all its stages. Also, before implementing the mechanism, it is adjusted as necessary.

We believe that in the process of using the mechanism of anti-crisis management of operational activities, it is necessary to carry out the processes of diagnosis, prevention, identification, overcoming of crisis phenomena in operational activities, which aims to analyze the effectiveness of the actions of the factors of the market environment that affect the indicators of production and sales activities, identification of crisis phenomena, implementation of anti-crisis measures to overcome them, increase in the effectiveness of operational activities.

An important role in the successful use of the mechanism of anti-crisis management of operational activities is played by the specification of problems in the work of the enterprise and operational activities (Fig. 2). Their definition is carried out based on the results of the implementation of the processes of diagnosis, prevention, identification, overcoming crisis phenomena in operational activities and will allow to focus attention on coping with them during the realization of anti-crisis management of operational activities, to make effective management decisions, and not to improve those areas of the enterprise where no problems. During the use of the anti-crisis management mechanism, a mandatory stage is the study of the specified problems, their consideration and the adoption of measures to overcome them in order to increase the efficiency of operational activities, to obtain the desired result from the implementation of anti-crisis management [17].

Based on the results of summarizing the list of problems in the enterprise work and operational activities, we can proceed to the stage of developing anti-crisis measures for the operational activities of the industrial enterprise. Before starting this stage, it is necessary to take into account the results of the stage of the validity of the formation of anti-crisis measures of the operational activity of industrial enterprises, which is carried out at the level of the anti-crisis management system. During the development of anti-crisis measures for operational activities, the state of operational activities, the level of threats of crisis phenomena should be considered, which will permit effective measures to be taken to overcome the crisis. Taking into account the above-mentioned criteria, the following set of anti-crisis measures of operational activity at industrial enterprises was proposed: increase in the efficiency of operational activity, no impact of crisis phenomena – a raise in the effectiveness of production and sales activity is observed, and it is advisable to implement preventive measures, i. e. current analysis of the state of operational activity, research on the impact of relevant factors, as well as monitoring the general state of the enterprise, which will allow to detect the first signs of crisis phenomena; the unchanged value of the state of operational activity, the negative influence of the market environment, which can cause the threat of crisis phenomena – the emergence of minor problems in production and sales activities is noticed, and it is needed to improve the efficiency of management of operational activities, analyze the variability of factors of the market environment, develop promising directions for increasing the efficiency of production and sales activity, identification of reserves before their development; slow reduction of operational activity indicators, the appearance of crisis phenomena – there is a decrease and

further deterioration of the effectiveness of production and sales activities, and it is advisable to implement strategic management of operational activities, adjust strategic plans for its development, implement modern methods of anti-crisis management of production and sales activities, identify strengths, opportunities regarding the restoration of operational activities, realization of production restructuring; downward dynamics of the company operating performance indicators, an increase in the number of crisis phenomena – there is a threat of stopping production, loss of product sales channels, can lead to unprofitable activity, and therefore it is expedient to find financial resources, take immediate measures to restore operational activity, restructure all spheres of activity, structural changes in management, engagement of external consultants on management of operational activities, use of company reserves, as well as production of new types of products, diversification of production, active promotion of product sales, replacement of raw materials and materials, conclusion of new contracts with suppliers, transformation of the logistics system, expansion of production facilities capacities, changing the organization of production, forming a new price policy, improving settlements with consumers. Timely application of anti-crisis measures in the operational activities of enterprises, depending on its condition and the level of threats of crisis phenomena, will prevent their occurrence in operational activities, neutralize the impact, avoid the situation of cessation of production and sales activities, and increase productivity. In addition, the specified list of anti-crisis measures in operational activity can be expanded for each individual machine-building enterprise depending on the state of operational activity, the level of threats of crisis phenomena, the specifics of functioning and the time required for implementation.

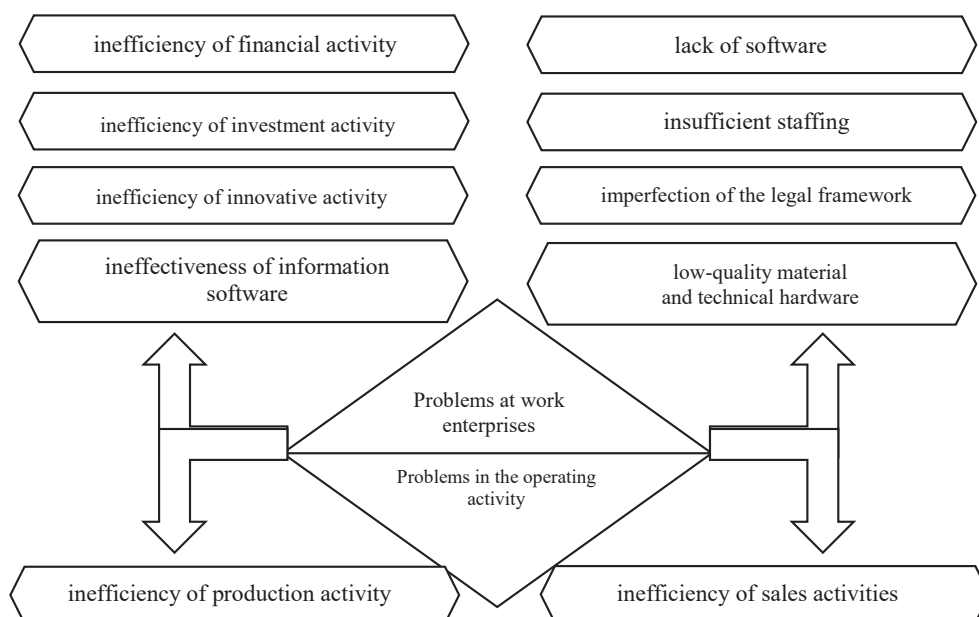


Fig. 2 – Determination of problems in the work of the enterprise and operational activities of the enterprise

Note: generated by the author

Then there is the stage of realization of anti-crisis measures for the operational activities of the industrial enterprise. Having chosen a set of anti-crisis measures by taking into account the state of operational activity, the impact of crisis phenomena, their implementation takes place at the machine-building enterprise, as well as expansion if necessary.

The stage of regulation of the anti-crisis management mechanism of the company operational activities is important, and accordingly, the mechanism is improved if deficiencies are identified in the process of its use. There is also the possibility of correcting all stages of the anti-crisis management mechanism, determining the degree of achieved goals, maintaining normal functioning, identifying deviations, current problems, forming and implementing effective solutions for their elimination, strengthening ties between stages.

Such a stage of MAMOAIE as control of the use of the anti-crisis management mechanism of the enterprise operational activities should be considered. It should be used to control the results of the application of the mechanism, the degree of achievement of the goal and objectives, conduct a preliminary assessment of the effectiveness of the use of the mechanism, and compare the obtained results with the planned ones. Achieving the desired result is a confirmation of the completion of the application of the mechanism of anti-crisis management of operational activities and further evaluation of the results, but in the event of further effects of crisis phenomena, deterioration of the efficiency of operational activities, i. e. unchanged value, slow reduction of indicators, downward dynamics of indicators, then the mechanism should be improved and further use.

After improving MAMOAIE, the stage of researching the threats of crisis phenomena, the efficiency of the enterprise operational activities should be carried out. It

is assumed that it is appropriate to evaluate the indicators of operational activity, that is, a detailed study of the state of production and sales activities after improving the anti-crisis management mechanism, establishing the effect of crisis phenomena, the negative impact of internal and external environmental factors. This stage is the penultimate one, and based on its results, a decision is made about the effectiveness of the anti-crisis management mechanism in the short term after corresponding improvement.

The last stage is the evaluation of the effectiveness of using MAMOAIE. The result of the use of MAMOAIE is the implementation of a set of measures for diagnosis, prevention, identification, overcoming crisis phenomena in operational activities, stabilization of production and sales activities, ensuring the growth of their effectiveness. At the same time, the effectiveness of the use of the anti-crisis management mechanism is reflected in achieving the desired state of operational activity, reducing the level of threats of crisis phenomena, their elimination, neutralization. A group of indicators should be used for performance assessment. Based on the results of the evaluation, a decision is made about the high level of effectiveness of the anti-crisis management mechanism, subject to achieving results, or its sufficient, low, unsatisfactory level, provided that the desired effect is not obtained. If the desired effect is not obtained, correction, improvement, effectiveness analysis or replacement of the anti-crisis management mechanism is carried out. Achieving the expected results shows that there is no need to use the anti-crisis management mechanism.

Within the framework of this stage, a scheme for interpreting the results of the assessment of production and sales activities, determining the effectiveness of the anti-crisis management mechanism, which establishes the relationship between the state of operational activity and the level of threats of crisis phenomena, is established, i. e. we have the following (Fig. 3): a stable state of

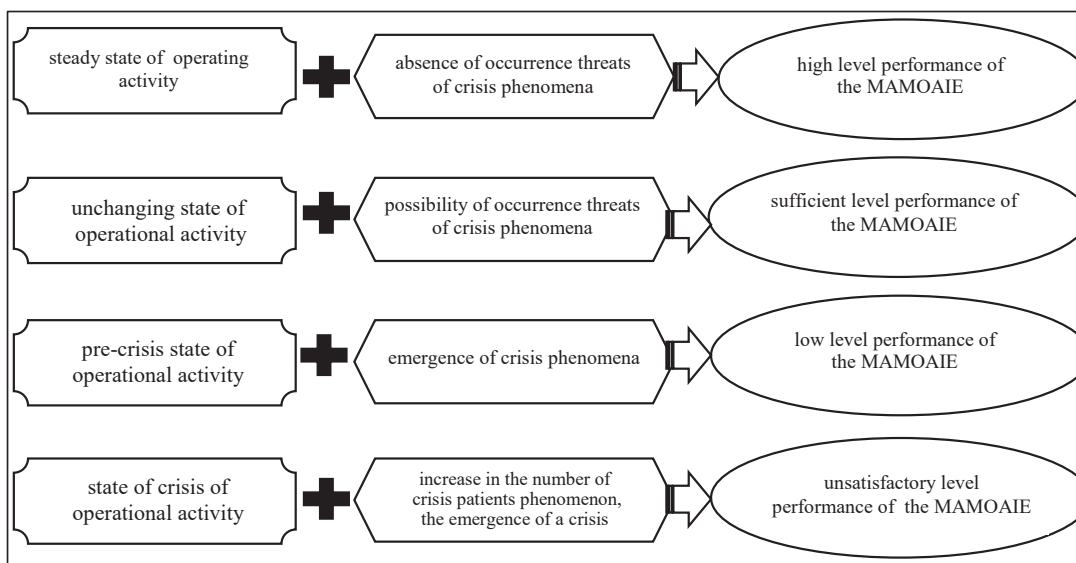


Fig. 3 – Scheme of interpretation of the results of the assessment of production and sales activities, determination of the effectiveness of the mechanism of anti-crisis management of the operational activities of enterprises

Note: generated by the author

operational activity is conditions of the absence of threats of crisis phenomena, which indicates a high level of effectiveness of MAMOAIIE – it is advisable to maintain the efficiency of operational activities, predict the impact of crisis phenomena, there is no need for further use of the anti-crisis management mechanism; we have an unchanged state of operational activity under the condition of the possible emergence of threats of the appearance of crisis phenomena, which indicates a sufficient level of effectiveness of MAMOAIIE – to detect such a state, an additional analysis of the indicators of production and sales activity should be carried out, review the possibility of correction, further use of anti-crisis management tools and apply some of them; the pre-crisis state of operational activity is formed under the condition of the occurrence of crisis phenomena, which indicates a low level of effectiveness of MAMOAIIE – there is a noticeable deterioration of activity indicators, it is advisable to further use all anti-crisis management tools, their improvement, and the implementation of appropriate anti-crisis measures; the crisis state of the enterprise operational activity occurs under the condition of an increase in the number of crisis phenomena, the emergence of a crisis, which indicates an unsatisfactory level of effectiveness of MAMOAIIE – the threat of stopping production and sales activities, deterioration of all spheres of activity, and it is expedient to review the effectiveness of the mechanism or its replacement, adjust anti-crisis measures [17].

The proposed MAMOAIIE provides diagnosis, prevention, identification, warning, overcoming of crisis phenomena in operational activities at selected machine-building enterprises, development of anti-crisis measures for operational activities depending on the level of threats of crisis phenomena and the state of activity, effectiveness of sales and production activities in the short term. Its use will improve the state of operational activity, which will affect the functioning of the enterprise. The use of the anti-crisis management mechanism allows you to make effective management decisions, determine the need to implement the strategy of anti-crisis management of operational activities.

Thus, the proposed mechanism of anti-crisis management of the operational activities of industrial enterprises consists of interrelated elements, stages, the implementation of which allows to identify existing problems in the enterprise activities, to form anti-crisis measures, and to determine ways to increase the efficiency of operational activities. Within the framework of the mechanism, it is envisaged to determine its effectiveness by analyzing a group of indicators and interpreting the results of the assessment of production and sales activities, determining the effectiveness of the mechanism by establishing the relationship between the state of operational activity and the level of threats of crisis phenomena, which allows making a decision on its further use. In addition, when forming a set of anti-crisis measures, the state of operational activity and the level of threats of crisis phenomena were taken into account, which made it possible to form effective measures that are effective for overcoming the crisis.

Conclusions

Based on the results of the research, a mechanism of anti-crisis management of the operational activities of industrial enterprises is proposed, which was developed on the basis of the use of complex, situational, integration approaches, taking into account interaction with enterprise systems. The formed anti-crisis management mechanism consists of a set of interrelated elements, stages, the implementation of which allows for diagnosis, prevention, identification, overcoming crisis phenomena in operational activities, to develop anti-crisis measures to increase the efficiency of operational activities. As part of the mechanism, it is envisaged to determine the effectiveness of the mechanism by establishing the relationship between the state of operational activity and the level of threats of crisis phenomena. A scheme for interpreting the results of the assessment of production and sales activities, defining the efficiency of the mechanism of anti-crisis management of operational activities, which makes it possible to establish the effectiveness of its use, to develop corrective measures for the further use of the mechanism, has also been formed.

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DIRECTIONS OF DIGITALIZATION DEVELOPMENT IN THE INDUSTRIAL SECTOR OF UKRAINE

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industrial sector, digitalization, strategy, data space, transformational potential, Industry 4.0, innovation policy

A study of digitization processes in the world economy and, in particular, in the industrial sector was conducted. Digitization is considered to be the newest level of business management organization. Scientific works that consider the transformative potential of the economy digitalization are analyzed. The threats to the process of the industrial sector digitization, which appeared with the beginning of the COVID-19 pandemic and full-scale military aggression on the territory of Ukraine, have been clarified. An outline of the main directions of France's industrial policy has been prepared, and French initiatives designed to form the basis of industrial data spaces in the manufacturing sector have been considered. The steps taken to create a space for the industrial information exchange in Italy are considered in detail. The impact of German cooperation on the most famous initiatives for the development of digitalization in the Netherlands, and other leading European countries was examined. It was concluded that the directions of modernization are mainly focused on the activities of forming data production spaces. The provisions of the Concept for the Development of Digital Competencies in Ukraine and the plan of measures for its implementation has been worked out. The main components of the existing digitization policy of the industrial sector of Ukraine were analyzed, and on the basis of the conducted research, it is identified of additional five tasks for the development of digitalization of the industrial sector of Ukraine. Completing these tasks will allow industrial sector enterprises to be as mobile as possible, to adapt to new realities with great speed, without losing jobs, and even carrying out their modernization. It is concluded that in the near future, it will be very difficult to ensure the economic efficiency of production without introducing the latest digital technologies, access to which can be obtained by participating in international data exchange initiatives.

НАПРЯМКИ РОЗВИТКУ ЦИФРОВІЗАЦІЇ ПРОМИСЛОВОГО СЕКТОРУ УКРАЇНИ

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Ключові слова:

промисловий сектор, цифровізація, стратегія, простір даних, трансформаційний потенціал, Industry 4.0, інноваційна політика

Проведено дослідження процесів цифровізації у світовій економіці та зокрема у промисловому секторі. Розглянуто цифровізацію, як новітній рівень організації управління бізнесом. Проаналізовано наукові праці, які розглядають трансформаційний потенціал цифровізації економіки. З'ясовані загрози процесу цифровізації промислового сектору, що виявились із початком пандемії вірусу COVID-19 та повномасштабної військової агресії на території України. Побудовано схему основних напрямків промислової політики Франції, розглянуто Французькі ініціативи, що покликані для формування підґрунтя промислових просторів даних у виробничому секторі. Предметно розглянуто проведені кроки для створення простору обміну промисловою інформацією у Італії. Досліджений вплив Німецького співробітництва

на найбільш відомі ініціативи з розвитку цифровізації у Нідерландах, та інших провідних європейських країнах. Зроблено висновок, що напрямки модернізації зосереджені, в основному, на діяльності з формування виробничих просторів даних. Опрацьовано положення Концепції розвитку цифрових компетентностей в Україні та план заходів з її реалізації. Проаналізовані основні складові існуючої політики цифровізації промислового сектору України, та на основі проведеного дослідження визначенні додаткові п'ять завдань для розвитку цифровізації промислового сектору України. Виконання цих завдань дозволить підприємствам промислового сектору бути максимально мобільними, з великою швидкістю адаптуватися до нових реалій, не втрачаючи робочі місця, а й навіть проводячи їх модернізацію. Зроблено висновок, що у найближчому майбутньому, стане дуже важко забезпечувати економічну ефективність виробництва, не впроваджуючи новітні цифрові технології, доступ до яких можливо отримати, беручи участь у міжнародних ініціативах з обміну даними.

Statement of the problem

Over the last decades, the leading role of industry in the world economy has hardly changed, it is still of decisive importance in the development of one or another country. It is the industry that makes it possible to provide jobs to a large number of highly qualified workers over a short period of time, to increase the intellectual potential and profitability of one or another industrial sector. In the modern world, the statement that it is impossible to develop as a modern advanced country without a powerful industrial base is already perceived as a fact, and one cannot but agree with this, because sufficient industry development opens up huge opportunities.

The end of the second decade of the 21st century triggered the processes of radical changes in the world economy, the COVID-19 pandemic, and the subsequent military aggression on the territory of Ukraine, made most of the processes of industrial development impossible. This creates the necessity to update strategic guidelines, accept existing problems, and determine ways to overcome them.

Analysis of recent studies and publications

The digitalization process is a new level of business management organization, which affects the economic development of the country in general and the world in the future. A wide range of implementation problems and peculiarities of the digital technologies development in various spheres of the economy are the subject of discussion by many scientists and practitioners. Thus, a large layer of exploratory works with regard to the implementation and development of digitalization is represented by the works of many scientists. In particular, the expediency of introducing Industry 4.0 in the aspect of macroprudential policy was considered by L. B. Prokopovich, O. G. Balanenko, O. M. Maksymishyn, O. G. Balanenko, and O. A. Kolodka, who carried out an objective assessment of the effectiveness of the implementation of the digital economy, its impact on reducing the production cost and improving the quality of the final products, automation of the economy priority sectors, decreasing the level of human-caused errors and corruption liquidation; besides, they provide analysis of macro economic indices before and after introduction of Industry 4.0 [1].

The fourth industrial revolution, as noted by many scholars, is based on the principle of openness of all relevant information and its continuous availability at any time, which can be achieved by combining all links of the value chain; Industry 4.0 is formed on the basis of cyber-physical production systems, a combination of real and digital space [2].

The transformational potential of Ukrainian economy digitalization was considered by V. P. Vishnevskyi, O. M. Harkushenko, S. I. Knyazev, D. V. Lypnytskyi, V. D. Chekina, who analyzed methodological approaches of digital economy monitoring and evaluating, developed the dependence functions of digital costs and real results, and quantified the transformational potential of the Ukrainian economy digitalization [3].

Many studies were also conducted by foreign scientists, in particular, German scientists Heisbauer R., Schrauf S., Koch V., and Kuge S. who investigated the possibilities and challenges of industrial digitalization when integrating them into supply chains [4].

Having studied significant scientific works, at the same time it should be noted that the current dynamics observed in Ukraine and globally, same as in the latest digital technologies' modernization, give a particular importance to the issue of systematization of directions for the implementation and development of the fourth industrial revolution in the industrial sector of Ukraine in the context of today's problems.

Objectives of the article

The purpose of the article is to identify additional tasks for the development of digitalization in the industrial sector of Ukraine based on the analysis of ways to accelerate the processes of Ukrainian industrial sector digitalization in the conditions of modern challenges and trends.

The main material of the research

In recent years, the world economy has experienced tremendous upheavals. Almost all economy sectors experienced the latest challenges that require quick and coordinated actions, and it is impossible to meet these challenges without global transformations. Current examples of these processes include the COVID-19

pandemic and large-scale military operations in various parts of the planet.

Full-scale aggression against Ukraine in 2022 caused a global shortage and instability of prices for natural resources, which in its turn was a consequence of the obsolescence of technological processes and the dependence of most countries on the largest suppliers of such natural resources. This event once again forced numerous governments to increase the pace of reorientation of the main processes to more ecological ways. The COVID-19 pandemic, on the other hand, has exacerbated the vulnerability and unreliability of the world’s global procurement strategies. For example, severe shortages of chips due to logistical disruptions during the pandemic hit the machine building sector the hardest, causing a significant loss of revenue, not even taking into account the additional operating costs associated with shutting down production facilities. At the same time, previously existing problems such as production processes increasing complexity and missing qualified personnel still persist.

The solution to many of these challenges seems to suggest itself: to accelerate the next phase of the industrial sector development and promote the technologies of the fourth industrial revolution (INDUSTRY 4.0) into widespread everyday use. The goal is to go beyond pure production automation, which was characteristic of the third industrial revolution, and reduce, or even eliminate, the disconnection of production systems, which will allow the discovery of new business models based on a new, more complete production data. This process must necessarily go through the transition from bilateral to multilateral cooperation and joint data exchange along the entire chain of the production process to meet the potential needs of the economy in the future.

Considering the processes of digitalization of the European countries industrial sector, we can conclude that, taking into account the opinion of many scientists, the modernization directions are mainly focused on the activities of forming production data spaces, which nowadays is carried out by a large number of international alliances, projects, networks, and also, according to national initiatives. Examples of such projects operating in the European community: SmartFactoryEU, Productive 4.0, Boost 4.0, ConnectedFactories, Qu4lity.

It is also impossible not to mention well-known European initiatives, such as:

- Gaia-X is a project that is the result of many separate platforms that meet a common standard – the Gaia-X standard. Data infrastructure development is based

on the values of openness, transparency and trust. So, the result is not a cloud, but a network system that unites many cloud service providers [5].

- The Big Data Value Association (BDVA, from 2021 DAIRO – Data, AI and Robotics aisbl) is an international, industry-driven, non-profit organization with over 230 members across Europe and a well-balanced composition of large, small and medium-sized enterprises, as well as research organizations and user organizations. BDVA’s mission is to develop an innovative ecosystem that will ensure a digital transformation in Europe based on data and artificial intelligence, which will bring maximum economic and social benefit, and will also enhance and maintain European leadership in the creation of big data bases and artificial intelligence [6].

Considering the above-mentioned projects and with the purpose to help them, the governments of leading European countries are developing and implementing action strategies and projects for the development of digitalization processes in the industrial sector. Thus, the French Ministry of Industry has adopted and implemented a large number of initiatives to accelerate the digital transformation of the industry in order to approve the basis for industrial data spaces in the manufacturing sector, in particular, they created the sector “Industry of future solutions” in 2021, which is designed to ensure the main directions of French industrial development policy (Fig. 1) [7; 8].

Italy’s digital transformation investment plan “Piano Transizione 4.0” was adopted in 2020. The main goal of this plan is to accelerate the digitalization of the industrial sector. Since then, the Italian government has provided a subsidy that has helped undertaking a number of steps to create an industrial information exchange space, including:

- creation of the Italian Gaia-X network, with the name Gaia-X Hub Italia, as well as participation in other European projects on the formation of data spaces;
- establishment of organizations that should provide support for Italian entrepreneurs in the implementation of digital technologies [9].

The industrial sector digitalization in the Netherlands has gained considerable acceleration, thanks to cooperation with Germany and joint innovations in the field of digital data spaces. The most famous initiatives of the Netherlands are:

- data space “Smart Connected Supplier Network” (SCSN) – an initiative designed as a high-scale solution that provides a network approach (four-corner model) consisting of two aspects: one common semantic language for exchange and seamless technical agreements between

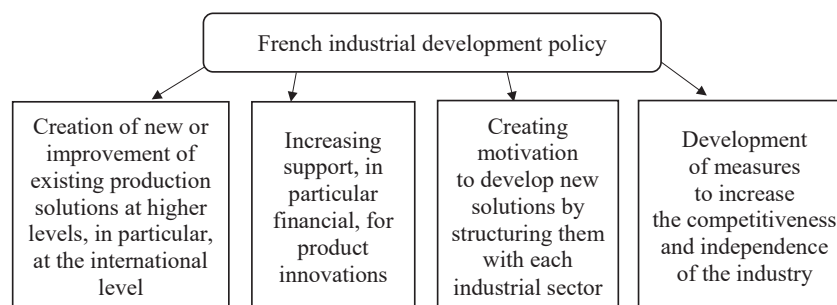


Fig. 1 – The main directions of French industrial development policy

service providers, to guarantee the principle “One connection – communication with everybody” [10];

- the Dutch-German field laboratory AI4DT, which offers the advantage of the “Digital Doubles” technology – a concept that models products as well as machines and their components with digital tools, including all geometric, kinematic and logical data [11];

- data sharing coalition. The Data Sharing Coalition is an open, international, evolving initiative in which many organizations collaborate to unlock the value of data sharing (cross-industry) [12].

The European Economic Community and the European Commission have been discussing measures to support the integration of data spaces in European industry for a long time, paying attention to the following aspects:

- unification and coordination of current European projects and initiatives;

- expansion of countries participating in data space related works;

- creation of pan-European foundations for cooperation between interested countries, without suppressing their autonomy.

The development of digital transformation in Ukraine is currently represented by the Concept for the development of digital competences and the action plan for its implementation. The main tasks of this Concept are defined as:

- formation and development of digital skills and digital competences in society;

- provision of legal regulations on matters of state policy formation in the field of citizens’ digital skills and digital competences development;

- development of complex changes to the legislation;

- definition of the system and description of the components of digital competence, as well as requirements to the digital skills and digital competences’ level among different categories of employees;

- ensuring coordination of actions at the level of executive authorities with regard to the development of digital skills and digital competences;

- establishing indicators for monitoring the state of digital skills and digital competences development;

- raising the level of citizens’ awareness of the Internet-related threats [13].

Completing the tasks for which the Concept is designed requires a formed list of measures and digital competencies’ results. The plan of the Concept implementation measures provides for the Concept development for the main professional groups in the spheres of economic activity and its approval by the end of 2022. Today, most industries are not covered by such plans. Military aggression on the territory of Ukraine has made adjustments to the terms of the Concept implementation, and requires changes to the Concept itself [14].

For Ukraine, digitalization is not limited to the exclusive use of technologies. Taking into account the course for European integration and obtaining the status of a candidate for membership in the European Union, first of all it is necessary to carry out a large-scale transformation of the culture integrated into the enterprise management model. Minimization of costs,

decentralization of production, improvement of efficiency and productivity, fast and more efficient decision-making in real time, improvement of the environment protection level, production of sustainable products, reduction of time and costs for product development, improvement of product quality and quick response to changing market conditions, production diversification of a growing number of products at numerous production sites are not the only advantages of digitization [15].

Studying the directions of digitalization development in the industrial sector, as well as, focusing on the challenges faced by the Ukrainian industry during the current events, in order to form a strategy for the development of industrial sector digitalization in Ukraine, it is expedient to add the below tasks to the existing ones, namely:

- increasing the decentralization of enterprises to reduce the consequences of disruption of supply chains;

- development of the national system – data space in industry and its integration with existing European networks;

- ensuring coordination of actions to quickly find suppliers, in case of their loss;

- development of a separate government program to support digital transformation investments in industry;

- cooperation with the world’s leading countries to accelerate digital transformation in industry.

Conclusions

The current course of global digital transformation allows us to say that it will be very difficult to ensure the economic efficiency of production in the near future without introducing the latest digital technologies, which can be accessed by participating in international data exchange initiatives.

As a result of the research of France’s industry development policy and Italy’s digital transformation plan, additional tasks aimed at the development of the digitalization of Ukraine’s industrial sector were identified in the work. As a result of the fulfillment of these tasks, enterprises of the industrial sector of Ukraine will quickly adapt to new realities, not losing jobs, but even carrying out their modernization. They will be provided with the necessary arrays of data, will make better management decisions based on them, as well as qualitatively direct the course of development of production capacities and the industrial sector as a whole.

Logistics, which will reduce the role of intermediaries and focus on B2C (business to customer) principles, will also receive its powerful development impetus. The use of natural resources will become more rational, and the economy itself will acquire features of greater transparency, predictability, with a clear system of development.

Thus, the five additional tasks for the development of digitization of the industrial sector of Ukraine identified in the work allow to achieve higher quality results in the information development of enterprises and country.

However, the issue of developing a set of models and methods for digitalization of enterprise management, its production processes, taking into account the support of directions at the level of the state and the world society as a whole, remains relevant.

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NATIONAL ECONOMY'S MARKET MECHANISMS OF ACCOUNTING, ANALYSIS AND AUDIT

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IDENTIFICATION AND ACCOUNTING OF STRATEGIC ASSETS IN THE FORMATION OF COMPETITIVE POTENTIAL OF THE ENTERPRISE

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Key words:

strategic assets, strategic
resources, strategic financial
accounting, enterprise potential

The article examines the essence of strategic assets in accounting. The system of strategic financial accounting is substantiated by developing theoretical principles of accounting for strategic assets. There are two types of strategic assets of the enterprise (capitalized strategic assets that are reflected in the balance sheet of the enterprise in the form of traditional assets of the enterprise; non-capitalized strategic assets that are not separate objects of accounting). The method of identification of strategic assets of the enterprise in the accounting system is developed. The main reasons for the impossibility of imitating strategic assets by competitors have been identified and analyzed. The procedure for recognizing strategic assets in the narrow sense in financial accounting has been developed. A model of compliance of certain types of strategic assets with the types of competitive advantages they provide has been formed. It is proposed to consider strategic assets as a set of resources of the enterprise, which ensure the formation of its competitive potential. The concept of strategic assets in the accounting system in a broad and narrow sense, depending on the types of competitive advantages provided by them.

ІДЕНТИФІКАЦІЯ ТА ОБЛІК СТРАТЕГІЧНИХ АКТИВІВ ПРИ ФОРМУВАННІ КОНКУРЕНТНОГО ПОТЕНЦІАЛУ ПІДПРИЄМСТВА

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Ключові слова:

стратегічні активи, стратегічні
ресурси, стратегічний
фінансовий облік, потенціал
підприємства

У статті досліджено сутність стратегічних активів в бухгалтерському обліку. Обґрунтовано систему стратегічного фінансового обліку шляхом розробки теоретичних засад обліку стратегічних активів. Виділено два види стратегічних активів підприємства (капіталізовані стратегічні активи, що відображаються в бухгалтерському балансі підприємства у вигляді традиційних активів підприємства; некапіталізовані стратегічні активи, що не є окремими об'єктами бухгалтерського обліку). Розроблено методику ідентифікації стратегічних активів підприємства в системі обліку. Визначено та проаналізовано основні причини неможливості імітації стратегічних активів конкурентами. Розроблено порядок визнання стратегічних активів у вузькому розумінні в фінансовому обліку. Сформовано модель відповідності окремих видів стратегічних активів видам конкурентних переваг, які вони забезпечують. Запропоновано розглядати стратегічні активи як сукупність ресурсів підприємства, які забезпечують формування його конкурентного потенціалу. Виділено поняття стратегічних активів в системі обліку у широкому та у вузькому розумінні в залежності від видів забезпечуваних ними конкурентних переваг.

Formulation of the problem

For a full and transparent understanding of the enterprise to external users in today's environment is not enough traditional indicators provided in the financial statements, as they do not disclose the specifics of available resources and do not assess their role in shaping the company's competitive advantage. The availability of such information from capital suppliers is the main source for making investment and borrowing decisions, the disclosure of which in general from the standpoint of the company will reduce its costs for raising additional capital. The emergence of such information needs from external users is an example of the emergence of the latest institutional demand, which is an example of limited accounting in providing the latest institutional transformations and needs to be addressed. As a result, the problem of ensuring the strategic orientation of the financial accounting system, improving its theoretical and methodological tools so that it provides the generation of accounting information that would allow effective strategic decisions to external stakeholders is becoming increasingly important for some researchers in the field of accounting.

One of the ways to solve this problem is to disclose accounting information about the strategic assets of the enterprise, which should be understood as a set of resources of the enterprise, which ensure the formation of its competitive advantages. The development of the financial accounting system as a means of strategic accounting communications should be carried out by deepening and additional classification of existing financial accounting objects, including assets of the enterprise, identification of strategically important assets, the use of which in the enterprise generates its main competitive advantages. Lead to significant losses and cause significant damage to the enterprise. From the standpoint of enterprise management and capital suppliers, the availability of relevant and reliable information about such assets is important, so they should be given closer attention – from the standpoint of their consideration as an object of management, and should consider all possible risks of disposal/destruction. positions of consideration of the enterprise by suppliers of capital as an object of investment/lending.

Analysis of research and publications

Theoretical aspects of the identification of strategic assets in the accounting system are revealed in the works of D. Aaker, R. Amit, J. Bernie, S. Bobrishev, O. V. Vostryakova, R. C. Dos Santos, T. H. M. Pinho, C. K. Prahalad, G. Hemel, P. J. Shoemaker and others. The need to improve the system of financial accounting, which does not take into account the growing demands of external users in the information about the strategic aspects of the enterprise reveal in their work R. F. Brukhansky, S. F. Holov, N. Yu. Yershova, I. I. Kryshptopa, O. P. Kundrya-Vysotska, A. A. Pilipenko, M. S. Pushkar, V. Z. Semanyuk, A. V. Shaykan. At the same time, the improvement of financial reporting on the disclosure of strategically important objects that play a key role in maintaining the competitive advantages of the enterprise, almost no attention is paid to researchers. This is

due to the lack of agreement among researchers as to which objects should be disclosed in such additional strategic reports of enterprises, how they should be evaluated, and how such additional disclosure of accounting information should be carried out.

Highly appreciating the scientific contribution of these scientists, it should be noted that the outlined issues require further intensification of research to reveal the essence of strategic assets in accounting and consider them as a set of enterprise resources that ensure the formation of its competitive potential.

Formulation of goals

The main task of the study is to identify the essence of strategic assets in accounting based on the use of the provisions of resource theory of strategic management. Consideration of strategic assets as a set of resources of the enterprise, which ensure the formation of its competitive potential.

Presentation of the main material of the research

There is no consensus among scholars on the names of objects that are of strategic importance to the enterprise. The authors simultaneously use the concepts of strategic resources, strategic assets, strategic intangible assets, strategic knowledge assets and more. Despite the existing diversity of interpretations of such strategically important objects, they have in common the reasons and nature of their occurrence, ie the significance and importance of such strategic objects from the standpoint of further strategic development of the enterprise, preservation of existing and formation of new competitive advantages. Their use involves both the successful implementation of the strategies chosen at the enterprise, monitoring their implementation, and the development of new strategies.

Strategic assets as a set of resources of the enterprise, which ensure the formation of its competitive advantages, consist of two main groups:

- capitalized strategic assets that are reflected in the balance sheet of the enterprise in the form of traditional assets of the enterprise and meet the requirements of their recognition as strategic resources (value, uniqueness, availability);
- non-capitalized strategic assets that are not separate objects of accounting, and information about which is not provided separately in the balance sheet, but which relate to the strategic resources of the enterprise.

In order to develop information support for strategic management of the enterprise, as well as informing external users about strategic assets, the following areas can be identified to improve the current accounting system:

- for the first selected group of strategic assets should ensure their identification and separation from all assets of the enterprise, the formation of a relevant approach to their evaluation;
- for the second group of strategic assets it is necessary to develop a methodology for their identification, separate display and accounting evaluation, so that internal and external users can obtain reliable and relevant information about all strategic resources of the enterprise.

One of the classics of strategic management prof. D. Aaker notes that the strategic assets and competencies on which business strategy is based provide a lasting competitive advantage. Under strategic assets, they mean certain resources (for example, a brand or current customers), which exceed in their parameters similar resources of competitors. In the process of formulating a strategy it is necessary to take into account the costs and technical capabilities to create or maintain assets or competencies that are the basis of sustainable competitive advantage [1]. Thus, from D. Aaker's point of view, strategic assets include various types of resources (assets in the accounting sense and non-capitalized resources (internal brands, customer relationships, employee competencies, etc.)), which have certain unique characteristics and ensure the preservation of existing and formation new competitive advantages of the enterprise.

D. Aaker's position on understanding the concept of strategic assets is based on the theory of key competencies proposed by C. K. Prahalad and G. Hemel, based on which competitive advantages are provided only by key competencies, which can take various forms – assets, relationships, processes and more. According to the authors' approach, key competencies are characterized by value (rarity and irreplaceability), uniqueness (impossibility of copying) and accessibility for the company (ability to use in their activities). Based on these characteristics, it can be determined that a strategic asset is a resource of the enterprise, which is indispensable for him, unique and which can be used in its activities.

Other proponents of resource theory follow a similar approach. Thus, S. Bobryshev defines strategic assets as the predominant assets and excellent abilities of the firm, which provide the company with a stable competitive advantage [3], which is also noted by O. V. Vostryakov, considering the strategic process from the standpoint of the resource concept, which is determined by the ability and capacity of the enterprise to maintain and accumulate assets that generate economic rents. Such assets provide the company with stable competitive (strategic) advantages, ie receive the status of strategic [6].

It is proposed to use the model "VRIO", developed by J. Bernie and D. N. Clark, for a more detailed identification of strategic assets of the enterprise in the accounting system, as it allows to establish the role of specific resources of the enterprise in ensuring its competitive advantages, and therefore its results can determine which types of strategic assets should be provided to users information on the main competitive advantages and disadvantages. Examples of such strategic decisions are decisions on the strategic assets of the enterprise, based on their role and importance in the enterprise (for example, the transfer of unimportant resources from the company's position to outsourcing), and on further strategic development of the enterprise by internal and external users. prospects for maintaining its competitive advantages (for example, the cessation of investment in the company due to the short time horizon for the main competitive advantages). If the representatives of resource theory of strategic management focused on the management of strategic resources, in

the context of this study also an important issue is the disclosure of information about the strategic prospects of the enterprise based on disclosure of various types of strategic assets for both internal and external users. efficiency of the existing system of strategic accounting communications of the enterprise.

Based on the name of the model itself, different types of strategic assets of the enterprise can include those resources that are valuable, rare, unique (impossibility of imitation) and managed (organized) for the enterprise in comparison with its competitors. Based on these four characteristics, which are inherent or not inherent in the strategic assets of the enterprise, located in the appropriate hierarchical sequence, a classification of strategic assets can be made depending on their ability to provide different types of competitive advantages.

Strategic assets should be considered only those assets of the enterprise that have value for the enterprise. As noted by J. B. Barney and W. S. Hesterly resources are valuable to a firm when they allow them to take advantage of external opportunities or neutralize an external threat. That is, they are valuable when they allow you to increase your competitive position [12]. The most effective way to confirm the value of assets for the company is to determine their role in ensuring the income of the company or minimize its costs. Since the generation of future economic benefits is a general criterion for recognizing assets in the accounting system, we can say that the strategic assets of the first group can be considered valuable for the company, and the strategic assets of the second group should be further analyzed. Examples of strategic assets of the second group are the company's in-house brands, which allow it to obtain economic benefits, but which are prohibited as intangible assets under national (IAS 8) and international (IAS 38) accounting standards.

If the strategic assets of the company are valuable, but are quite common among other competitors, ie are not a rare resource, then such assets will not provide a competitive advantage for the company, at the same time, will be the main source of competitive parity. Competitive parity is evidenced by the fact that the presence of such strategic assets allows the company to operate no worse than its competitors. According to J. B. Barney and W. S. Hesterly, only when the resource is not controlled by many other firms, it can become a source of competitive advantage [12]. Thus, the rarity of a strategic asset means its presence (ability to control it) in a small number of other competitors, which is determined by both the size of the industry and the number of competitors who own such assets. Since obtaining a valuable and rare strategic asset in the case of its own reproduction or acquisition by third parties is only a matter of time, in the case of the potential possibility of obtaining it by competitors, we can talk about the existence of temporary competitive advantages.

The possibility of imitation of a strategic asset by competitors creates a threat of loss of competitive advantage created by them in the future. Therefore, permanent competitive advantages for the company provide only those strategic assets that are difficult to imitate competitors, i. e. to reproduce which lacks the necessary technical and

technological principles, or the ability to imitate them by obtaining or developing their own is quite expensive for competitors. If competitors need to incur small costs to simulate such a strategic asset, then competitive parity will be created in the industry. Therefore, only those companies that have valuable, rare and expensive to imitate strategic assets, create the necessary prerequisites for the formation of sustainable competitive advantages in the process of forming new and implementing existing strategies.

The inability to imitate strategic assets by competitors is due to four main reasons:

1. Unique historical conditions, when a firm gains inexpensive access to resources through its place in time and space, other firms may consider these resources expensive to imitate.

2. Causal ambiguity, when competitors cannot say exactly what allows a firm to gain an advantage, simulating that advantage can be costly. Sources of causal ambiguity include when competitive advantage is based on “accepted as appropriate” resources and opportunities, when there are many untested hypotheses about why a firm has a competitive advantage, and when firm advantages are based on complex sets of interrelated opportunities.

3. Social complexity, when the resources and opportunities that the firm uses to gain a competitive advantage include interpersonal relationships, trust, culture and other social resources that are expensive to imitate in the short term;

4. Patents, which are a source of sustainable competitive advantage in several industries, including the pharmaceutical and chemical industries [12].

At the same time, to ensure sustainable competitive advantages of the enterprise strategic assets are not enough to meet the characteristics of value, rarity and uniqueness (impossibility of imitation), as such advantages are acquired only if there is a proper level of value management. The company should have a level of organization that will ensure the most efficient use of available resources and opportunities to achieve tactical and strategic goals (cost-oriented management systems, management control, accounting, quality management, motivation, various informal management systems, etc.). In particular, one of the important elements of such an organization system is effective information support of the enterprise management system through the appropriate level of financial accounting, which provides reliable and relevant accounting information about available resources, capital and liabilities and performance. Thus, in order to gain a sustainable competitive advantage, it is not enough for a company to have only valuable, rare and unique strategic assets, this also requires the attribute of manageability or proper organization to use their strategic potential to the full.

In the absence of a system that ensures the manageability or organization of strategic assets, a situation may arise in which existing competitive advantages remain untapped or unrealized. For example, non-use or underutilization of unique means of production (production lines, individual machines, devices, etc.) due to lack of qualified personnel is the main reason why such assets lose their strategic

importance for the company. This situation is quite typical for domestic medical institutions that receive expensive medical equipment under grant or sponsorship funds, but it is not used properly in such institutions for a number of objective and subjective reasons.

In general, strategic assets include those resources of the enterprise that are under its control, for which the enterprise has a significant level of asymmetry compared to competitors, there is imperfect mobility of such resources, the market for such resources is also imperfect and competitors can not get such resources (create yourself or attract from the outside). In the vast majority of cases, such assets are intangible resources of the enterprise (structural, human, client capital), because they are almost all can be valued, are rare, they are difficult to imitate or replace with analogues. At the same time, certain physical and financial assets can also be recognized as strategic assets of the enterprise, in particular, the natural capital of the enterprise, due to its limitations and non-reproducibility.

Based on the analysis of requirements (characteristics) that must be taken into account in the process of recognizing strategic assets, as well as based on understanding their essence, the order of their recognition in financial accounting can be represented as follows (Fig. 1).

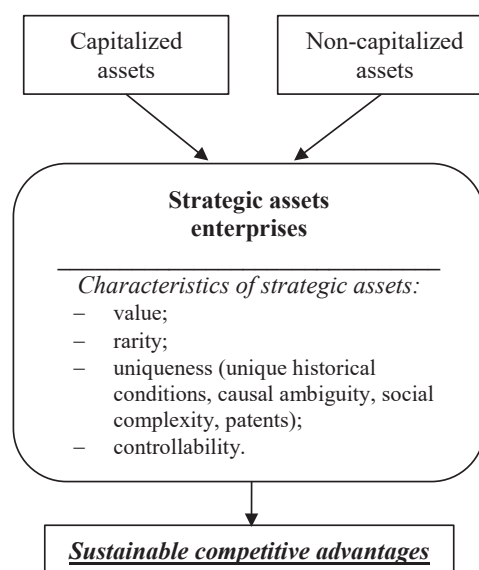


Fig. 1 – Procedure for recognizing strategic assets in the narrow sense in financial accounting

According to the proposed procedure (Fig. 1), the composition of strategic assets may include both capitalized and non-capitalized assets (resources) of the enterprise, which meet a number of characteristics. Depending on the level of compliance with the considered characteristics, we can distinguish different types of strategic assets in their broadest sense, which include assets that ensure the formation of long-term and sustainable competitive advantage (level 1 assets), as well as assets that ensure the formation unused (level 2 assets), temporary (level 3 assets) and parity (level 4 assets) competitive advantages of the enterprise.

The following model can be used to determine the compliance of certain types of strategic assets with the types of competitive advantages they provide (Table 1).

Table 1 – Correspondence of certain types of strategic assets to the types of competitive advantages

Types of strategic assets in a broad sense	Kind of competitive advantage	Characteristics of strategic assets			
		Value	Rareness	Uniqueness	Controllability
–	–	no	–	–	–
4th level	Parity	yes	no	–	–
3rd level	Temporary	yes	yes	no	–
2nd level	Unused	yes	yes	yes	no
1st level (strategic assets in the narrow sense)	Stable	yes	yes	yes	yes

The above model (Table 1) allows a clearer distinction between strategic assets in their broad and narrow sense in the context of ensuring that they achieve different types of competitive advantage. It can be the basis for the formation of financial statements of strategic assets of the enterprise, in particular, in terms of their classification and consideration of existing requests of stakeholders. For example, based on the needs of internal stakeholders who need information about a particular type of competitive advantage, the necessary management report on strategic assets may be generated upon request. In particular, to find ways to strengthen the competitive position of risk management, the company needs information about the types of strategic assets that provide temporary competitive advantages, which is justified by the need to find new ways to ensure them in case such assets lose their strategic role.

At the same time, from the point of view of investors and borrowers, it is important not only to know about the strategic assets of the company, but also what costs the company must incur to reproduce them, because without such unique assets the company will lose its competitive advantages. Therefore, in addition to the recognition of strategic assets in the financial accounting system, another important issue that needs to be addressed is the development of methods for their parallel valuation at replacement cost or replacement cost and its reflection in specialized reporting on such assets. In the financial statements, strategic assets are stated at cost or fair value, which does not reflect the potential risks of the enterprise to such assets and their impact on the competitive advantages of the enterprise, which generally determine the future prospects of the enterprise, because even fair value calculation and its focus on assessment for the needs of investors, does not provide information about such risks. Providing information on strategic assets in such alternative estimates will allow you to describe in monetary terms the potential risks of the enterprise in the

event of loss of such strategic assets in the context of the concept of business continuity.

If the replacement cost of strategic assets reflects the amount of costs that an entity must incur to reproduce those assets so that they can achieve an appropriate level of competitive advantage, such as an appropriate amount of profit, the replacement cost of strategic assets will reflect the amount of costs that the entity must incur to obtain appropriate level of competitive advantage, but not necessarily through the acquisition of identical strategic assets. The first type of valuation of strategic assets should be used when an exact (identical) copy of a strategic asset can be reproduced, as they do not have a high level of uniqueness, and the replacement cost should be used if an exact copy cannot be reproduced.

The key position in calculating the replacement cost and replacement cost of strategic assets that we propose should be that strategic assets should reflect the amount of costs that the company will have to spend in case of loss of a particular strategic asset in order to obtain the same competitive advantage, which existed in the presence of such a strategic asset in the enterprise. That is, the level of competitive advantage provided by the relevant strategic asset, for example, the appropriate amount of income of the enterprise in a particular area of activity, should be the starting point to achieve which should be incurred the appropriate amount of costs.

Accordingly, the notion of reproducing an exact copy of a strategic asset or object of its replacement should be based on the principle of predominance over form, ie renewal or replacement of a strategic asset implies the need to restore or replace the relevant competitive advantages provided by such strategic asset today. However, this approach is not always used by professional appraisers (American Association of Appraisers) and researchers. For example, to determine the replacement cost of intangible assets Reilly R. F. [14], Puca A. and Zyla M. L. [13] proposes the concept of “equivalent utility” for the enterprise, which is not equal to the ability of strategic assets to obtain appropriate competitive advantages, but may mean compliance with the functional attributes of such an asset, compliance with operational or economic benefits from its use. investment attractiveness, etc. Based on such proposals in financial accounting, strategic assets should be reflected in parallel at a value that will show how much they cost the company based on the current level of competitive advantage provided by them.

In order to improve the accounting conceptual and categorical apparatus, we propose to introduce a new concept – “strategic assets” as a set of resources of the enterprise, which ensure the formation of its competitive advantages. Since there are different types of competitive advantages, not just sustainable competitive advantages, we should distinguish between the concept of strategic assets in a broad sense, providing the formation of different types of competitive advantages, and in a narrow sense, providing sustainable competitive advantages, ie their highest level.

Conclusions

Given the need to ensure greater transparency of the enterprise, especially in the context of strategic decision-making, today there is an objective need to disclose additional information about the resources of the enterprise, which characterizes the prospects for its strategic development. One of the ways to solve this problem is the additional disclosure of accounting information about strategic assets, ie the set of resources of the enterprise, which ensure the formation of its competitive advantages. For external users, information on strategic assets is very important because they are the

main object of strategic management, generating revenue and minimizing the company's costs, which requires their separation from other assets and disclosure of information in a specially generated report.

Under the strategic assets in the accounting system is proposed to understand the set of resources of the enterprise, which ensure the formation of its competitive advantages. Given that not all assets of the company are a source of its competitive advantages, strategic assets should be considered as the main object of strategic management, because they provide revenue generation and minimize costs.

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INFLUENCE OF ACCOUNTING POLICY ON THE FINANCIAL CONDITION AND FINANCIAL RESULTS OF THE ENTERPRISE'S

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Key words:

accounting policy, methods
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results, financial condition, profit

The article is devoted to the study of the importance of accounting policy in the formation of the financial results of the enterprise and the assessment of its financial condition. The basic elements of the accounting policy were considered, and their impact on the indicators of the company's financial reporting was analyzed. The dependence between the chosen methods, techniques of management and organization of accounting, defined in the accounting policy of the enterprise, and its financial results were established. The issue of the methodical aspect of setting up an accounting policy, determining different options for displaying the facts of the economic activity of the enterprise in the accounting, based on alternative estimation methods and principles of the articles of financial reporting, in accordance with enterprise's activity, is considered. The main purposes and tasks of the chosen direction of the accounting policy are determined that are characterized by the most adequate reflection of the enterprise's activity, the formation of complete, objective and reliable information about the activity, and as a result, its effective regulation in the future according to stakeholders' interest. The positive aspects of the impact of an effectively aligned accounting policy on the enterprise's activity and profitability were established. A number of impact features of selected elements of the company's accounting policy on its financial condition and financial results are highlighted. Through the result of the conducted research, it was proved that when setting up the optimal model of the accounting policy and its subsequent proper use as a tool for the formation of financial statements, the adopted accounting policy will have a positive effect both on individual improvements of selective aspects of the economic activity of separate divisions, and on the general financial condition, financial results of the enterprise and its overall profitability.

ВПЛИВ ОБЛІКОВОЇ ПОЛІТИКИ НА ФІНАНСОВИЙ СТАН І ФІНАНСОВІ РЕЗУЛЬТАТИ ДІЯЛЬНОСТІ ПІДПРИЄМСТВА

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Ключові слова:

облікова політика, методи
облікової політики, фінансові
результати, фінансовий стан,
прибуток

Стаття присвячена дослідженню значенню облікової політики при формуванні фінансових результатів діяльності підприємства та оцінці його фінансового стану. Розглянуто базові елементи облікової політики, проаналізовано їх вплив на показники фінансової звітності підприємства. Встановлено залежність між обраними методиками, техніками ведення та організації бухгалтерського обліку, визначеними у обліковій політиці підприємства, та його фінансовими результатами. Розглянуто питання методичного аспекту складання облікової політики, визначення варіантів відображення в бухгалтерському обліку, тих чи інших, фактів господарської діяльності підприємства, виходячи з альтернативних способів, прийомів та принципів оцінки статей фінансової звітності, відповідно до специфіки діяльності підприємства. Визначено основні призначення та завдання обраного спрямування облікової політики, які характеризуються максимально адекватним відображенням діяльності підприємства, формуванням повної, об'єктивної і достовірної інформації про діяльність, і як наслідок, ефективним її регулюванням в подальшому в інтересах кола зацікавлених користувачів. Встановлено позитивні аспекти впливу, ефективно зіставленої, облікової політики на діяльність

підприємства, його рентабельність. Виділено ряд особливостей впливу обраних елементів облікової політики підприємства на його фінансовий стан та фінансові результати.

В результаті проведеного дослідження доведено, що при складанні оптимальної моделі облікової політики та її подальшому належному застосуванні, як інструменту формування фінансової звітності, прийнята облікова політика матиме позитивний вплив як на окремі покращення вибіркового аспектів господарської діяльності окремих підрозділів, так і на загальний фінансовий стан, фінансові результати діяльності підприємства та його загальну рентабельність.

Statement of the problem

The management staff of each enterprise is interested in setting up high-quality and objective financial reporting for its further use in the effective management of the enterprise's financial and economic activities because this information serves as a visual reflection of its financial stability and profitability, and therefore, is the basis for taxation.

The aspects listed above determine the relevance of this issue, its further research in terms of the influence of various elements of accounting policy on the financial condition and financial results of the enterprise, reduction of the difference between the nominal and real value of the enterprise's profit recorded in the financial reporting, which becomes inevitable when implementing various methodological techniques of accounting policy.

Analysis of recent studies and publications

The problem of influence of accounting policy on the financial condition and financial results of the enterprise was investigated by a large number of both domestic and foreign scientists in their works. This topic was directly reflected in the research of Bukalo N. [1], Veryha Yu. A., Kulyk V. A., Nochovna Yu. O., and Ivaniuk S. Yu. [2], Hrabovenko O. A., Varchuk O. A. [3], Zorina O. A., Petrakovska O. V., Yurchenko A. [4], Len V. S., Hlyvenko V. V. [5], Myronova Yu. Yu., Prut A. Yu., Shynkar Yu. L. [7], Pushkar M. S. and Shchyrba M. T. [12], Tesak O. V. [13].

During the study of influence of accounting policy methods on financial results, scientists proved that a well-formed accounting policy of the enterprise opens up opportunities for choosing methodological techniques that can significantly change the indicators of the financial results of the enterprise. It should be noted that "it is the professionalism of setting up the accounting policy, the accurate consideration of the conditions of the company's activity and its organizational and technical features in it that provides the completeness and truthfulness of the information provided regarding the financial results and financial condition of the company in its financial reporting" – this position was adhered to by Veryha Yu. A., Kulyk V. A., Nochovna Yu. O., Ivaniuk S. Yu. in their research [2, p. 178].

Note that Bukalo N., Len V. S. and Hlyvenko V. V. in their works reveal the main methodical aspects of the researched topic, the essence of the concept of "accounting policy", its main purpose and the components it contains [1; 5]. We can observe the study of the issue in terms

of the problems of forming the company's accounting policy in the works of Grabovenko O. A., Warchuk O. A., Myronova Yu. Yu., Prut A. Yu. and Shynkar Yu. L. [3; 7]. As for the position of effective use of accounting policy as a tool for organizing accounting at the enterprise, these aspects are reflected in the works of Zorina O. A., Petrakovska O. V., Yurchenko A., and Tesak O. V. [4; 13]. Pushkar M. S. and Shchyrba M. T. determine the direct dependence of the financial state of the enterprise on the adopted methodology in the accounting policy in their works [12].

The legislative side of this issue is of the same importance because after the implementation of the National accounting regulation (standard) 1 "General requirements for financial reporting" from 03/19/2013, approved by the Ministry of Finance of Ukraine No. 73 of 02/07/2013 [8] and its subsequent editorial versions (the latest edition is dated 08/10/2021), the improvement of documents on the accounting policy of the enterprise, despite the long period of implementation of the given national standard, is and will be a relevant topic for research. The above-mentioned changes in the regulatory framework determine new studies of the impact of the accounting policy of the enterprise on the formation of its financial results, taking into account the legislative consolidation of the possibility of applying international financial reporting standards in our country, the latest changes in national standards and innovations in the Ukrainian legislation related to the Tax Code of Ukraine [9].

Objectives of the article

The aim of the article is to study the main methods of influence of the enterprise accounting policy on the value of its profitability, expressed in the final values of the financial condition and financial results of the enterprise, taking into account the legislative basis, the use of the National Provisions (standards) of financial reporting in Ukraine and recent changes in the legislation of Ukraine, in particular on taxation issues.

The main material of the research

The desired end result of the entrepreneurial activity of any enterprise is obtaining a positive financial result and a stable financial state. The above-mentioned indicators are directly influenced by the well-designed accounting policy of the enterprise, namely, its appropriately chosen elements, principles, methods and procedures.

According to the current Law of Ukraine "On Accounting and Financial Reporting in Ukraine", "accounting policy

is a set of methods, principles and procedures used by a company to prepare and submit financial reporting. The company-defined rules for evaluating reporting items are described in the administrative document on the accounting policy. Also, the document portrays the methods of accounting for individual objects that affect the amount of the financial result and financial condition of the company for the reporting period" [10].

The regulation of setting up and determining the accounting policy of the enterprise is carried out in accordance with the National regulation (standard) of accounting 1 "General requirements for financial reporting".

In turn, the Ministry of Finance of Ukraine in letter No. 31-34000-10-5/27793 dated 21.12.2005 "On accounting policy" [11] offered a list of estimation options, procedures and accounting that should be contained in the enterprise administrative document about its accounting policy.

According to the relevant Methodological recommendations regarding the accounting policy of the company, "the regulatory document includes the following main aspects: the principle of allocation and accounting of procurement and transport costs, accounting of procurement and transport costs on a separate sub account; noncurrent assets and methods of their revaluation; cost characteristics of objects that are included in low-value tangible noncurrent assets; the frequency of calculating the weighted average cost of stock; stock write-off and methods of its assessment; the approach to calculating the reserve of doubtful debts (if necessary, the method of calculating the coefficient of doubtfulness); methods of amortization of fixed assets and non current tangible or intangible assets; the procedure and objects of the inventory; selection of a unit of stock analytical accounting; the procedure for accounting for deferred tax assets and liabilities; the methodology of the procedure for accrual of revaluation amounts of non current assets to retained earnings; an approach to determining the level of completion of service provision operations; the set and structure of general production costs, both fixed and variable, the basis of their distribution; a set of provisions for future expenses and payments to be created; set and structure of articles for determining the production cost of services and works; date of determination of financial assets that have been acquired as a result of systematic operations; segments of activity and their priority types, pricing principles of internal economic calculations; the basis for the allocation of costs for transactions with equity instruments; quality criteria and indicators of materiality of information regarding economic transactions, events and items of financial reporting; approach to setting up a cash flow report; methods of attributing costs for improving the property of fixed assets to the original cost or costs of the reporting period" [6].

The above-mentioned aspects emphasize that the accounting policy of the enterprise is an integral factor in designing quality indicators of economic activity, indicators of the financial condition, profit and cost of production, taxes, etc. depend on it. In general, the accounting policy is one of the tools for regulating expenses, assessed taxes, and standardizing accounting procedures. It also affects

financial results and, accordingly, financial ratios and values of reporting indicators. The accounting policy is expedient in the practical solution of contradictions arising in regulatory acts on accounting and taxation.

In the course of the research, we can determine a certain subjectivity of the accounting policy, this fact is manifested in its influence on the profitability of the enterprise, namely if the profitability indicators of the enterprise are determined from documents for the sale of goods and services, etc. and are in turn objective, then the amount of the expense side, in turn, always depends on the accounting policy, i. e. the management's decisions regarding the selection of certain elements, methodological techniques, so it is subjective. In general, the use of different principles, methods and procedures in the accounting policy allows changing certain aspects of the financial result of the enterprise which causes the incomparability of financial reporting indicators for its analysis.

Considering the importance of the influence of the accounting elements policy chosen by the management staff of the enterprise on the final financial results and analytical indicators of financial reporting, we offer the following classification of the elements of the accounting policy according to three characteristics:

- 1) which do not affect the financial result and analytical reporting indicators;
- 2) based on which it is impossible to reach a conclusion about the presence or absence of an impact and the level of its assessment;
- 3) with a probable impact on the financial result and analytical reporting indicators. In this category, we can classify and divide the investigated elements into the following groups: the period of influence which is more than one year, which refers to the long-term, and the period of influence of less than a year, which, accordingly, refers to the short-term.

Below is a schematic presentation (Fig. 1), a display of accounting policy elements in relation to the degree of materiality influence on financial results and analytical indicators of financial reporting.

For a visual presentation, the elements of the accounting policy that have the greatest impact on the financial results and analytical indicators of the company's financial reporting are listed (Fig. 2).

Individual cases of choosing one or another methodological approach will be considered below.

As a result of revaluation of fixed assets to their fair value, the final financial result which will be subject to tax may change. In the case of revaluation of fixed assets, there is an increase in their residual value, respectively, and the amount of depreciation. In turn, depreciation entails a decrease in depreciation and expenses, and vice versa, an increase in the amount of profit. As mentioned above, it makes the financial result, according to which the economic activity of the enterprise is taxed, in case of depreciation of fixed assets, increases by a certain amount, which is included in the expenses of the reporting period and decreases accordingly by the calculated amount of revaluation of fixed assets. This element of the accounting policy has an impact on the cost price, other

costs of operating activities, capital in revaluation, and accordingly also on the currency of the balance sheet and the value of assets. I. e., the revaluation of fixed assets has a direct impact on the value of the first asset section of the balance sheet, so such a change also affects the indicators of business activity, namely fixed-asset turnover. Carrying out revaluation will cause an increase in the indicator of net assets, coefficients of financial stability and autonomy, but in turn will lead to a reduction in indicators of profitability of sales, equity capital, assets and fixed-asset turnover and return on capital.

With regard to the choice of a certain methodical technique for assessing the disposal of stocks, which also

significantly affects the analytical indicators of financial reporting, an example of the use of the FIFO method is given. This method overestimates financial results because when it is used, stocks are written off at lower “initial prices”, reducing the cost of deducted stocks. Looking at the calculations of solvency indicators, the FIFO method is a more profitable type of stock disposal assessment, but it should be noted that if it is chosen, there is an increase in the amount of income tax.

When choosing a method of calculating the depreciation of noncurrent assets, it is necessary to take into account the features of using accelerated depreciation methods. Their use will have an impact on the growth of the ratio of

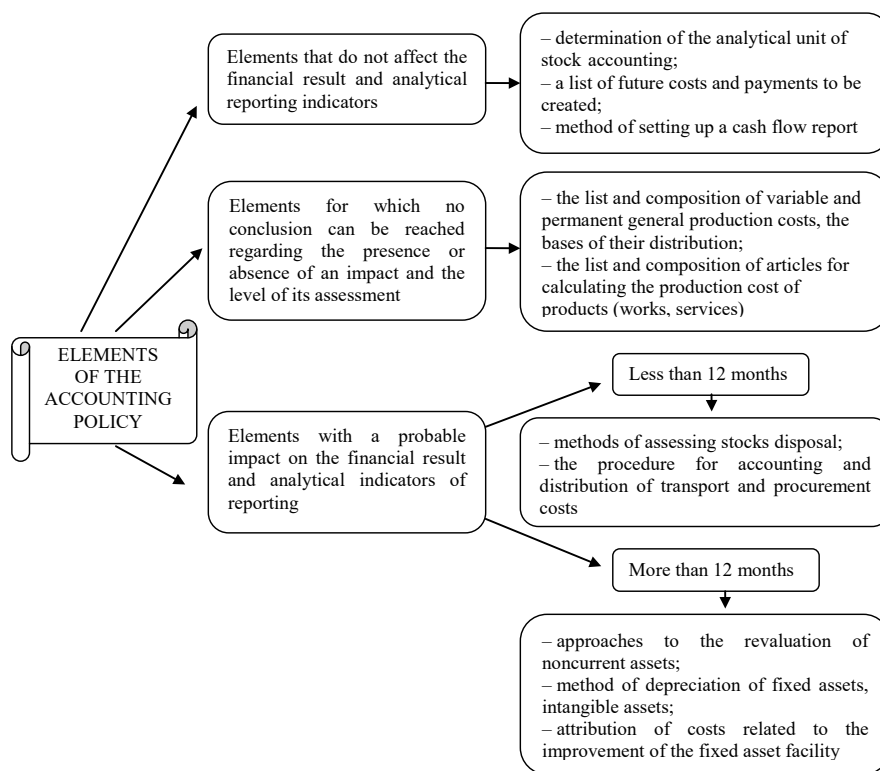


Fig. 1 – Classification of elements of accounting policy according to the degree of influence on financial results and analytical indicators of financial reporting

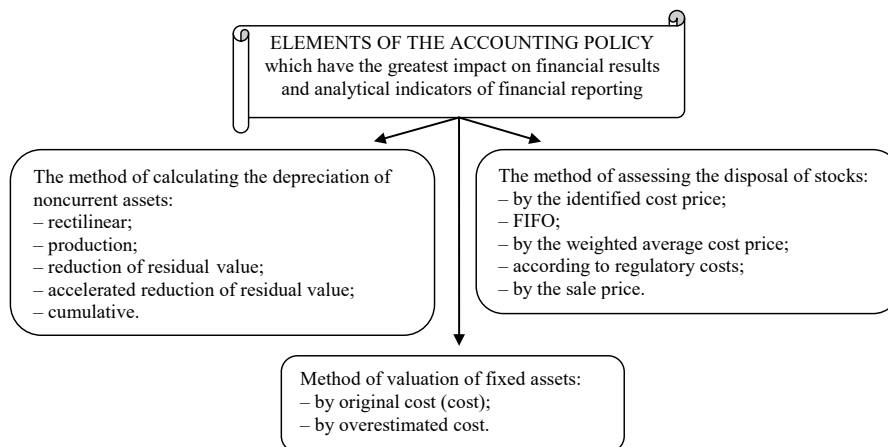


Fig. 2 – Accounting policy elements that have the greatest impact on financial results and analytical indicators

current liquidity and provision of own working capital and on the indicator of fixed-asset turnover, as a result – on the reduction of indicators of profitability of sales and assets.

In order to effectively set up a high-quality accounting policy which will serve as an information base for making objective and correct management decisions, and not as a formal attribute of the accounting mechanism, it is necessary, first of all, to analyze the organizational structure of the enterprise, determine the actual conditions of management and the state of accounting, check the effectiveness of the internal control system and determine the main goal of forming an effective accounting policy.

If need be, the accounting policy can also serve as a tool for streamlining and optimizing cash flows and improving the investment attractiveness of the enterprise for external users of financial reporting. This data-oriented accounting policy becomes expedient when it is necessary to attract additional financial resources, so it should be aimed at creating the most profitable financial reporting for external creditors and investors and should guarantee the formation of effective financial reporting in relation to indicators of

financial ratios. Under such conditions, it is appropriate to use accelerated depreciation methods, optimization of taxation, and release of auxiliary financial resources due to increased business activity and forced turnover of assets.

Conclusions

In conclusion, the considered elements of the accounting policy of the enterprise, the list of which, in turn, is not exhaustive, have a real impact on the indicators of the financial state and financial results of the enterprise which proves the importance of setting up an optimally selected accounting policy model for each individual enterprise that enables business entities to have at their disposal a wide range of alternative influence tools for submitting financial reporting. Their proper leverage allows adjusting accounting at the enterprise; optimizing the process of income taxation, avoiding unconvincing overestimation or underestimation of data on the profitability of a business entity, for the further use of these indicators as a basis for calculating income tax; using clear and high-quality information about the financial indicators of the enterprise.

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DOI <https://doi.org/10.26661/2414-0287-2022-3-55-08>**THE WILSON MODEL IN ENTERPRISE STOCK MANAGEMENT****Pushkar I.V., Shyshkina A.P.***Zaporizhzhia National University*
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ORCID: 0000-0003-4380-7907**Key words:**stock, stock management system,
optimal order quantity, stock
management model

This article considered problematic issues related to the practical leverage of the Harris-Wilson optimal order quantity model. The development of the Harris-Wilson model was studied within the framework of the set goal, the conditions of use of this model were analyzed and considered, its main parameters were given, and the main disadvantages of its use in a modern enterprise were identified. It is also determined that the presence of optimal stock at the enterprise, which can be ensured by organising the management and control of flows of material and financial resources, according to the state and level of stocks, will allow the enterprise to function smoothly with a small number of material resources and small amounts of abstract working capital invested in these stock, and this, in turn, will allow us to identify extra supplies, the implementation of which will allow us to reduce the supplies themselves and increase production efficiency. Therefore, building an effective stock management process is a relevant and promising direction for modern enterprises. It has been proven that the choice of the model for the optimal order quantity contributes to the minimization of the enterprise's costs for stock and is one of the ways towards their effective management. The result of the study was an analysis of the use of the optimal order quantity model at modern enterprises, taking into account all its features. This model allows reducing the total cost of stock which in turn reduces the increase in the price of goods, thereby positively affecting the competitiveness of the enterprise. The prospects for further research on this topic are the modification of this model depending on the features of the enterprise's functioning.

МОДЕЛЬ УІЛСОНА В УПРАВЛІННІ ЗАПАСАМИ ПІДПРИЄМСТВА**Пушкар І.В., Шишкіна А.П.***Запорізький національний університет*
*Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**запаси, система управління
запасами, оптимальний розмір
замовлення, модель управління
запасами

Актуальність проблеми оптимізації запасів підприємства та ефективного управління ними обумовлена тим, що стан запасів має визначальний вплив на конкурентоспроможність підприємства, його фінансовий стан та фінансові результати. Забезпечити високий рівень якості продукції та надійність її постачання споживачам неможливо без створення оптимальної величини запасу готової продукції, а також запасів сировини, матеріалів, напівфабрикатів, продукції незавершеного виробництва та інших ресурсів, необхідних для безперервного та ритмічного функціонування виробничого процесу. Ставлення до запасів неоднозначне. З одного боку, занижені запаси матеріальних ресурсів можуть призвести до збитків, пов'язаних з простоями, з незадовільним попитом, і, отже, до втрати прибутку, а також втрати потенційних покупців продукції. З іншого боку, накопичення зайвих запасів пов'язує оборотний капітал підприємства, зменшуючи можливість його вигідного альтернативного використання та уповільнюючи його оборот, що відбивається на величині загальних витрат виробництва та фінансових результатів діяльності підприємства. Економічні збитки завдають як значна наявність запасів, так і їх недостатня кількість. Тому в умовах ринкової економіки менеджер підприємства, керівництво та співробітники його служб постачання та збуту повинні прагнути до ефективного управління рухом матеріальних та фінансових ресурсів – управління процесами постачання та збуту, запасами та оборотними коштами, вкладеними в ці запаси. Наявність оптимальних запасів на підприємстві, яке можна забезпечити шляхом організації управління та контролю за потоками матеріальних та фінансових ресурсів, за станом та рівнем запасів, дозволить підприємству безперервно функціонувати при малому обсязі матеріальних ресурсів та невеликих розмірах абстрактних оборотних коштів, вкладених у ці запаси. Це дозволить виявити зайві запаси, реалізація яких дозволить знизити самі запаси і, підвищити ефективність виробництва. Тому побудова ефективного процесу управління запасами є актуальним та перспективним напрямом для сучасних підприємств.

Formulation of the problem

One of the important factors in increasing the efficiency of business activity is effective stock management. Stock management is a solution to tasks related to accounting, systematization, analysis, and optimization of the supplies level. Stock management is based on the study of receipt and consumption patterns of stock. Modern enterprises have not yet included stock management as part of the main directions for their behaviour strategy which is actively carried out in the market environment, and they clearly do not use this factor enough to increase competitiveness.

Analysis of the latest research and publications

Analysis of the latest research on our issue makes it clear that this problem is still relevant in the scientific environment today. Such scientists: D. A. Besabar, A. P. Dolgov, F. Harris, and B. Wilson, devoted their overseas and domestic economies studies to the issue of using the Harrison-Wilson model in management stocks [1, p. 89; 4 p. 270; 9, p. 135; 10, p. 116]. The scientific works of scientists have made a significant contribution to the development of theoretical research, but there are still a number of debatable issues that need to be resolved: the structure and assessment of costs associated with placing an order. Solving these issues makes it possible to improve the policy of stock management at enterprises and increase their competitiveness.

Formulation of the purposes of the article

The purpose of this article lies in the study of the Harris-Wilson optimal order quantity model nature and the generalization of its advantages and disadvantages in management stocks to substantiate the features of its effective use in modern enterprises.

Results

The main task of any enterprise is to obtain profit and maximize it. An important condition for the implementation of plans for the production of products, the reduction of their cost price, and the growth of profit and profitability is the provision of the enterprise with stocks of decent quality and the declared range exactly on time and in full [3, p. 114].

By properly managing stocks, an increase in the level of efficiency in the use of all resources can be achieved as well as an increase in the speed of circulation of invested capital. With the help of the stock management system, orders are placed and received, and control over the fulfilment of orders is carried out. This system allows you to track orders and get answers to the following questions: has the supplier received the order, have they shipped the ordered materials, are deadlines being met, are there procedures for re-issuing orders and returning unnecessary or defective materials? To achieve greater operational efficiency, proper stock management is necessary, i. e., the leverage of certain stock management models that can help the enterprise increase turnover and maximize its profits.

Thus, the main goal of stock management is the timely delivery of inventory and minimizing the costs associated with ordering and storing it. For this, it is necessary to calculate the optimal quantity of the order or delivery, i. e., the optimal quantity of the order.

In domestic practice, a situation often arises when the size of the order is determined for personal organizational reasons. For example, the convenience of transportation or the possibility of loading warehouses. Meanwhile, in a system with a fixed order quantity, the purchase

volume should be not only rational but also optimal. The optimization criterion in this situation is the minimum total cost of stock storage and repeat of order.

Economic optimal quantity is the amount of stock ordered that provides the optimal combination of costs for their acquisition and storage. To determine the optimal level of stock order, it is necessary to reduce the relevant costs for acquisition and storage [8, p. 63].

Although this model is popular, its creation has not been sufficiently investigated in the scientific environment for a period of time.

This model was invented by Ford Whitman Harris in 1913, and only in 1934, Robert B. Wilson analyzed the model suggested by Harris F. and formed the principle conclusion that in order to achieve the economic optimal quantity, it is necessary to achieve a balance between the costs of placing an order and costs according to the stored stock in the warehouse [9, p. 135; 10, p. 116].

Harris F. proposed in his model to consider the total (aggregate) costs associated with inventories as the sum of fixed and variable costs over a certain period. The graphic model of Harris F. is shown in Figure 1.

According to the figure, we can come to the conclusion that there is a relationship between the set up cost curve, holding cost curve, the curve for total cost and the order quantity.

In this case, the set up cost function is expressed by the equation: $y = k \times x^{-1}$, where k is a constant coefficient, x is the order quantity. Then the holding cost function is expressed by the linear equation: $y = b_0 + b_1 \times x$, with $b_0 = 0$.

Total variable costs are expressed by the equation: $y = k \times x^{-1} + b_1 \times x$.

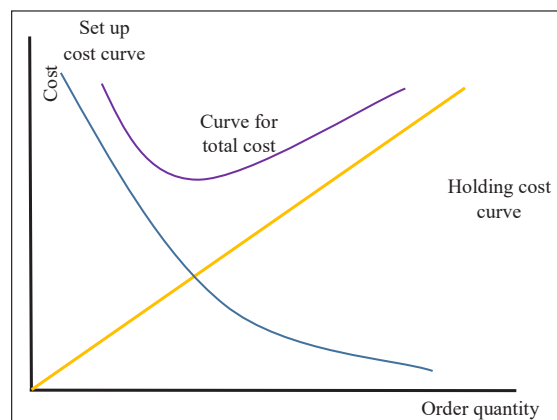


Fig. 1 – Graphic of the EOQ model

The basic conditions for using the EOQ-model are considered:

- unit cost is constant;
- this model considers only one type of product;
- the cost of fulfilling one order is constant and depends on the order quantity, i. e., on the number of units in one delivery;
- holding costs are constant and equal to the average order quantity;
- the size of the delivery batch is constant;
- the order arrives instantly at the moment of deficit.

The main parameters of the EOQ-model are presented (Table 1).

Therefore, some extensions can be applied to the EOQ model which allows taking into account the costs of backorders, especially when it comes to large volumes of goods.

Table 1 – Parameters of the optimal order quantity model

Parameter	Description
Optimal order quantity (EOQ) model	$Q = \sqrt{\frac{2D \times R}{H}}$ <p>Q is the optimal order quantity; D – total demand (units) during a certain period; R is the cost of setting up one order; H – the cost of holding a unit of stock during a certain period.</p>
Number of deliveries	$N = \sqrt{\frac{D \times H}{2P}}$ <p>N is the quantity.</p>
Delivery frequency	$T = \sqrt{\frac{2P}{D \times H}}$ <p>T is the period.</p>

It should be noted that the formula of the optimal order quantity model has been severely criticized for the presence of a number of assumptions that complicate its use. Such assumptions are given in Table 2.

Analyzing the assumptions invented by Professor Douglas, it can be indeed concluded that such conditions describe an “ideal picture” that does not occur in real life. Table 2 – Assumptions for using EOQ-model

Assumption	Author
1. Demand level is constant over the planning period.	Douglas M. Lambert – Professor of Marketing and Logistics, Fisher Business College [5, p. 92]
2. The lead time of the order is constant.	
3. The cost of setting up an order is constant.	
4. The transportation costs of the order are constant.	
5. Demand is fully satisfied.	
6. There are no transit stocks.	
7. There is one type of product in stock.	
8. The planning range is unlimited.	
9. Financial resources are unlimited.	

In our opinion, some conditions of use of the optimal order quantity model do not reflect the modern practice of economic activity, namely:

1) in the EOQ model, the amount of costs for the purchase of a product unit is constant, but in practice, there are discounts that provide different conditions for the purchase of products;

2) elements of cost change in direct proportion to the size of the order, but the costs related to the organization of cargo transportation by rail, for example, 10 transit rates, will differ compared to the delivery of cargo by warehouse method;

3) the classic EOQ model reflects a long period with multiple deliveries of goods. In practice, purchase prices for products tend to change several times during the year. One of the key points in international logistics is the seasonality of customs which directly affects the purchase price of products.

But in his work, Harris drew attention to the fact that this model is considered a practical tool that should be used wisely [9, p. 152].

Thus, the Harrison-Wilson formula can be used to determine the optimal length of the production cycle, namely, for example, when the costs of setting up equipment are incurred only once for each delivery batch produced. Equipment setup costs include additional labour and material costs. In order to use this formula when determining the duration of the work cycle, it is necessary to substitute the value of the costs for setting up the equipment, as indicated in Table 1.

Conclusions

Summarizing everything mentioned above, we conclude that the calculation of the optimal order quantity using the Harrison-Wilson model is a key issue in stock management policy. The analysis of this model allows minimizing the total costs of stock management which allows enterprise to reduce the growth of consumer prices, thereby positively affecting the competitiveness of the enterprise itself. But it should be emphasised that taking into account the development of economic activity, and the nature of foreign economic activity, this model needs modification depending on the situations that are considered.

A competent and skilled manager knows that it is appropriate to use modern control systems for the receipt and use of stocks at the enterprise. Modern information and technical equipment of accounting and analytical services of enterprises contribute to this as well.

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DOI <https://doi.org/10.26661/2414-0287-2022-3-55-09>**ORGANIZATIONAL AND METHODOLOGICAL PRINCIPLES OF ACCOUNTING
AND ANALYSIS OF PRODUCTION COSTS OF “BAKAI-AGRO” LLC****Romanova A.S., Kostyak A.L., Gryn V.P.***Zaporizhzhia National University**Ukraine, 69600, Zaporizhzhia, 66 Zhukovsky St.*

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Key words:

internal control, production, crop production, material costs, mechanism, agricultural enterprises, organizational model of control

The article examines the basic principles of the organization and methods of internal control of material costs, an organizational model of control of material costs of an agricultural enterprise is formed, which reveals the main aspects: objects of control, information sources, methodological techniques, methods of summarizing results. The study of the economic essence of the costs of the production of crop production allowed the article to clarify the definition of the concept of the economic category “costs”, which should be considered as the cost of the used live and embodied labor and the forces of nature to achieve a certain goal, and to generalize the classification of the grouping of costs by stages of the product’s life cycle, which takes into account the industry the specifics of the production of crop production and is the most appropriate for the construction of accounting of production costs and the formation of the cost price of crop production. A list of expenses was formed and their influence on the process of forming the cost of crop production was considered, which will allow to strengthen the control over the use of stocks in accordance with its intended purpose and channels of receipt of the enterprise, to separate different types of work and services for their rational accounting. It is proposed to carry out an inventory of the actual availability and costs of growing biological assets before harvesting and to control the correctness of the display of the actual receipt of crop production and costs of harvesting.

**ОРГАНІЗАЦІЙНО-МЕТОДИЧНІ ЗАСАДИ ОБЛІКУ ТА АНАЛІЗУ
ВИРОБНИЧИХ ВИТРАТ НА ТОВ «БАКАЙ-АГРО»****Романова А.С., Костяк А.Л., Гринь В.П.***Запорізький національний університет**Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**

внутрішній контроль, виробництво, продукція рослинництва, матеріальні витрати, механізм, сільськогосподарські підприємства, організаційна модель контролю

У статті розглянуто основні засади організації та методики внутрішнього контролю матеріальних витрат, сформовано організаційну модель контролю матеріальних витрат сільськогосподарського підприємства, яка розкриває основні аспекти: об’єкти контролю, інформаційні джерела, методичні прийоми, методи узагальнення результатів. Дослідження економічної сутності витрат виробництва продукції рослинництва дозволило у статті уточнити визначення поняття економічної категорії «витрати», які слід розглядати як вартість використаної живої та уречевленої праці і сил природи для досягнення певної мети та узагальнити класифікацію групування витрат за стадіями життєвого циклу виробу, яка враховує галузеву специфіку виробництва продукції рослинництва і є найбільш доцільною для побудови бухгалтерського обліку витрат виробництва та формування собівартості продукції рослинництва. Сформовано перелік витрат та розглянуто їх вплив на процес формування собівартості продукції рослинництва, яка дозволить посилити контроль за використанням запасів у відповідності з його цільовим призначенням та каналами надходження на підприємство, відокремити різні види робіт і послуг для раціонального їх обліку. Запропоновано здійснювати інвентаризацію фактичної наявності та витрат на вирощування біологічних активів перед збиранням урожаю та контролювати правильність відображення фактичного надходження продукції рослинництва та витрат на збирання урожаю.

Introduction

Today, agriculture is the basic sector of Ukraine's economy, the level of development and efficiency of which determine the strategic priorities of Ukraine's foreign trade, ensuring the nation's food security. The agricultural sector in the economy of Ukraine becomes the basis of economic development, forms strategic prerequisites for attracting investments, strengthening the level of competitiveness of the national economy and improving the level of well-being of the country's population and the overall survival of national agriculture. Solving these tasks is impossible without ensuring the effective development of agribusiness, solving the problems of improving the quality of life of the rural population and providing food for current and future generations, in particular, in the context of active integration into a single socio-economic space of the system of European development priorities, changes in the system of national paradigms, values and aspirations that form an idea of the criteria and indicators of the efficiency of agricultural production. The exhaustion of production resources used in agriculture and the constant need to meet the ever-growing needs of the population in modern conditions objectively require a rational increase in the efficiency of agricultural production. Achieving high performance indicators, improving the efficiency of the use of material resources, preserving and increasing the company's property is achieved thanks to the proper organization of the management mechanism, an integral component of which is the control system. So, we understand that the main direction of constant improvement of the economic efficiency of agricultural enterprises is its consistent intensification, because, as a rule, the increase in yield and productivity is associated with the growth of variable costs per 1 ha of sowing, and with the complex use of resources, the output of products increases to a greater extent and its cost is reduced. Therefore, all existing intensification factors are aimed at increasing production efficiency. To date, the issue of the organization of internal control at the enterprise has not been regulated by the state, and therefore this issue belongs to the sphere of activity of the enterprise owner and management. Control over material costs is the most important condition for preserving the ownership of the enterprise. The accounting data of the enterprise must contain information for finding reserves for reducing the cost of production, for the rational use of materials, reducing consumption rates, ensuring proper storage of materials, and their preservation.

Establishing the financial result is based on the preliminary determination of the income and expenses of the enterprise's operational activities and comparing their values with each other. By studying costs, we can evaluate the efficiency of the enterprise. If this is not done, irreparable errors occur when choosing the economic policy of the enterprise, making important management decisions, choosing directions for the development of entrepreneurial activity, determining the optimal volumes and structure of output (works, services), as well as prices. The efficiency of the enterprise is based, first of all, on the correct determination of costs and their close connection with income. Therefore, the issues of accounting for

the costs of operational activity and control over their formation and reflection in the accounting and reporting of enterprises are quite relevant and are being studied by both scientists and practitioners.

Analysis of recent research and publications

Taking into account the exceptional importance and priority of agriculture for the national economy, the question of increasing the effectiveness of the development of the agricultural sector of the economy of Ukraine has always occupied a central place in the scientific works of outstanding domestic agrarian scientists. The scientists researched directions and mechanisms for ensuring the efficiency of agricultural production and the development of rural areas, determined strategic models and principles for increasing the level of its competitiveness and improving the quality of life of the rural population, worked out the mechanisms of state support for the industry and analyzed the results of agrarian reforms. All this ensured the appearance of a significant number of scientific and applied developments, which are extremely useful for the theory and practice of improving the effectiveness of the development of the agricultural sector. Among domestic agrarian scientists who made a powerful contribution to the development of the scientific, methodical and practical plane of increasing the efficiency of agricultural development, the following should be noted: Ambrosova V. Ya., Andriyчук V. G., Gadzalo Y. M., Gudzo O. E., Danko Y. I., Zhuk V. M., Zubets M. V., Krasnorutskyi O. O., Lopatynskyi Y. M., Lupenko Y. O., Malik M. Y., Marmul L. O., Mesel-Veselyak V. Ya., Pinchuk A. O., Pugachev M. I., Rossokha V. V., Sabluk P. T., Fedorov M. M., Khodakivska O. V., Shpykulyak O. G., Shpychak O. M. etc. Theoretical and methodological issues of crop production accounting and the organization of internal control of production costs at the enterprise are constantly in the field of view not only of scientists, but also practicing accountants. The following researchers dedicated their works to them: N. M. Bondarenko, S. I. Holovatska, V. A. Derii, V. V. Iwata, M. V. Kravchenko, I. I. Fisherman and many others. At the same time, the dynamism of the factors of the business environment, the emergence of radically new principles and priorities of agar production in the world, which are becoming extremely relevant for Ukraine today, actualizes this issue and refers it to the composition of the most important tasks of the national economy and society, which are characterized by signs of constant modernity.

Formulation of the task

The purpose of writing the article is to analyze and evaluate the organizational and methodological aspects of accounting and auditing costs for the production of plant products at the agrarian enterprise "Bakai-Agro" LLC and to develop a system of measures aimed at their reduction and optimization.

Presentation of the main research material

In the conditions of market competition, the main goal of the activity of any business structure is to obtain the

greatest profit, which directly depends on the amount of income and expenses. Incomes and expenses of enterprises, regardless of the field of activity, form of ownership and other factors, acquire a particularly important, key importance. Cost accounting appeared in ancient times. In Babylon in the 3rd millennium BC, the development of the computational basis of accounting, the standardization of costs, and the desire for end-to-end reflection in the accounting of operations and conditions of economic activity takes place. In Rome, there is even a special system of books that existed in the state economy of the Romans. One of its parts was *Sodex Asserti et Expressi* – a book of expenses, where transactions were systematized. In modern economic literature, there are different interpretations of the concept of “expenditure”. Disagreements arise in connection with different approaches to this category. In some literary sources, “costs” are considered from their economic content, in others – from a calculation point of view. P(S)BO 16 “Expenses” defines the category “expenses” as follows: “Expenses are a decrease in economic benefits in the form of the disposal of assets or an increase in liabilities, which leads to a decrease in the company’s equity capital (with the exception of a decrease in capital due to its withdrawal or distribution between owners). This interpretation meets the requirements of international accounting standards [41]. In accordance with the tax legislation, expenses are understood as the amount of any expenses of the taxpayer in monetary, tangible or intangible forms, carried out as compensation for the cost of goods (works, services) that are purchased (produced) by such a taxpayer for their further use in their own economic activity. Thus, costs can be considered from two positions. On the one hand, costs are the amount spent on something, on the other hand, they are a cost estimate of 8 materials, fuel, energy, fixed assets, labor resources, and other costs used in production processes. Attempts to classify costs have been going on for a long time. Even in the treatise “About accounts and records” by Luka Pacioli, this issue is highlighted, when the author classified all costs into: – goods (which are related to the implementation of trading activities); – domestic (for housekeeping); – direct (which can be directly attributed to the cost price of a certain type of product); – indirect (entered into the account of trade expenses); – extraordinary (related to expenses that do not arise in the course of ordinary activities). In modern conditions, the importance of classification is indicated by V. V. Sopko, noting that the classification of costs is necessary to determine the cost of products, and the grouping of costs in a certain direction does not always meet the needs of management [1, p. 25].

In management accounting, the purpose of any classification of costs is to assist the manager in making correct, well-founded decisions, since the manager, when making decisions, must know what costs and benefits they will lead to. Therefore, the essence of the cost classification process is to identify that part of costs that can be influenced by the head of the enterprise. In today’s complex conditions, the volume of production and sale of finished products significantly affects the profitability of a manufacturing enterprise. The validity and reliability

of not only the indicators of the financial results of agro-industrial enterprises, but also the final market value of such products depends on the correctness of accounting for the production of crop production. A global trend in the modern world is a permanent shortage of food products and an increase in the volume of agricultural production. However, next to this, such an aspect as product quality, including its safety and environmental friendliness, does not lose its importance. Accounting is the information system that should timely detect, reliably measure, consistently register, systematize, accumulate, reliably store and transmit data about all processes related to the production of products in crop production and its output, that is, about the actually used resources, not only monetary, but and in natural meters. Thus, only the accounting system is the most informative for management and control.

It is known that each branch has certain features that have an impact on the organization of accounting. It is necessary to take into account the peculiarities not only when reflecting in the accounting of certain economic operations and processes, but also during the analysis and control of economic activity in general.

In the field of crop production, production costs occupy an important place among the accounting objects. It should be noted that accounting for production costs is one of the most complex and time-consuming areas of work for accounting services.

The main tasks of controlling production costs are:

- 1) establishing the legality of transactions with stocks;
- 2) checking the organization of warehouse management, the state of preservation of stocks;
- 3) verification of the correctness and efficiency of the use of material resources;
- 4) verification of compliance with the rules for releasing stocks;
- 5) assessment of the system of internal control over the use of stocks in production;
- 6) assessment of the completeness and correctness of the display of economic transactions with the MPZ in accounting and reporting [9].

One of the tasks of cost management accounting is their control. According to S. F. The head of cost management is a system that makes it possible to clearly monitor, analyze and control costs [2, p. 30]. The word “control” in English means both control and management. K. Drury notes that if control is measurement and information, and management is, first of all, action, then “the purpose of control is to identify what is happening, and the purpose of management is to ensure that the work performed corresponds to the priority plans” [3, p.433]. Based on this, it can be concluded that control is a prerequisite for management. The objects of control of material costs are the expediency of their implementation, documentation and accounting display. Subjects of control include management personnel (manager, chief accountant, analyst) or persons authorized to carry out control procedures.

Control exists at any enterprise, but it is organized differently in terms of structure and methods. The organization of internal economic control is entrusted to

the head of the enterprise “Bakai-Agro” LLC. On the basis of the approved plan, employees engaged in management carry out current control over the activities of the units. Based on the results of control checks, the company’s management makes a decision to eliminate the causes that negatively affect the company’s activities.

The economy of modern manufacturing enterprises in the Ukrainian market is constantly affected by their own costs. This applies primarily to the amount of production costs. The need for constant control over them requires continuous information acquisition. Dutchak R. R. notes the existence of a direct relationship between the information needs of cost management and the information provision of cost management accounting, where information needs are the cause, and information provision is the consequence [4, p. 175]. These provisions provide a set of rational actions regarding costs at the management level. According to the research of Kolibaba O. A. the informational aspect involves the coordination of the principles of management accounting with the principles of cost management, therefore the systematicity of accounting depends on the cost management system [5, p. 236].

In the process of carrying out production and economic activity, a comprehensive approach to the organization and internal control of costs is formed at each enterprise. According to the stages of control procedures, previous, current and subsequent control can be distinguished. The implementation of preliminary control precedes the economic operation, which makes it possible to substantiate the economic expediency of incurring material costs for the production of products, to prevent inappropriate costs, mismanagement and wastage [2, p. 15].

The functions of preliminary control should include: drawing up estimates of the company’s overhead costs; fixing those responsible for their compliance; development of progressive norms of material costs; determination of the optimal amount of production costs. In the current economic conditions, preliminary control plays an

important role in making management decisions, when it is necessary to pre-assess economic operations for their legality, expediency and economy. Current control is designed to promptly identify and eliminate identified violations during the performance of economic operations and production tasks. The next control is characterized by a more complete and in-depth approach to the study of financial and economic activity, that is, it is the identification of documents of poor quality according to the criteria of legality and expediency, as well as the determination of the degree of their impact on the reliability of the information summarized in the reporting.

Stages of internal control of material costs:

Stage 1 – setting tasks and goals; development of a control program.

Stage 2 – justification of the existence of cost standards in accordance with the financial and production capabilities of the enterprise and verification of their compliance.

Stage 3 – verification of the availability and correctness of primary documents, accounting registers, the General Ledger and reporting on production operations and the correctness of the display of operations on accounting accounts.

Stage 4 – establishment of accounting procedures for cost accounting; determination of material costs; substantiation of inventory write-off methods; opening of analytical accounts of the third and fourth orders; development of management reporting forms.

Stage 5 – summarization of control results, formation of conclusions; making proposals regarding the process of accounting for material costs at enterprises.

Control activities for the costs of production of products (works, services) in agricultural enterprises should be primarily aimed at the use of such control methods that would ensure reliable prevention and timely detection of economic violations related to the use (spoilage) of mineral fertilizers; payment for services and works performed by third-party organizations; oil products; seeds and planting

Table 1 – Organizational and methodological model of internal control of material costs

№	Element models	General characteristics
1	Object of control	1. Compliance with current economic legislation when spending. 2. The correctness of the documentation of the formation of enterprise expenses. 3. Adherence to norms, standards and budget indicators when spending the company’s expenses. 4. The rationality of choosing a method of cost accounting and calculating the cost of production. 5. Correctness of the method of displaying enterprise costs in the accounting system. 6. The reliability of the display of costs in internal, financial, statistical and tax reporting.
2	Information sources	1. Normative and legal acts regulating the organization and methodology of accounting of the enterprise’s expenses. 2. Accounting policy of the enterprise. 3. Primary documents of cost formation in accordance with the industry focus of the enterprise. 4. Accounting registers according to the selected form of accounting. 5. Budgets, estimates, reports on their implementation and internal reporting of the enterprise. 6. Financial, statistical and tax reporting of the enterprise. 7. Documents summarizing the results of the previous internal control.
3	Methodical techniques	Normative-legal, formal, arithmetic, mutual, expert, counter, logical check.
4	Methods of summarizing results	1. Cumulative information and tables of detected deficiencies and violations and other working documents of internal control. 2. Acts, certificates and other generalizing documents of internal control. 3. Proposals and recommendations for eliminating identified deficiencies and violations.

material; electricity; spare parts, repair and construction materials [3, p. 86].

Based on the results of the research, an organizational-methodical model of the internal control of material costs of “Bakai-Agro” LLC was formed, which includes four blocks: objects of control, information sources, methodological techniques, methods of summarizing results (Table 1).

Conclusions

To guarantee the food security of the country, it is important to constantly increase the volume of production of agricultural products. At the same time, a motivating condition for agricultural commodity producers is their economic interest, which directly

depends on the profitability of economic activity in the field of crop production. And the main factor in the growth of profitability is the minimization of costs, in particular the cost of production. In cost management, the reliability and completeness of information, which is ensured by the effective organization of the accounting system at the enterprise, has an important place.

Comprehensive consideration of industry specifics in the process of organizing accounting in crop production will allow timely provision of users with prompt, reliable and complete information about the amount of grown products, their value, material, labor and other production costs of structural divisions and the enterprise as a whole for the needs of current, operational and strategic management.

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CIRCULATION OF ECONOMIC FUNDS OF THE ENTERPRISE AND THE PLACE OF CASH IN IT

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Key words:

money, funds, means of circulation, means of payment, circulation, working capital, implementation, sustainable development, commodity production

In the course of the study, it was established that the initial and final link of the circulation of funds, which includes the purchase of goods, production of products, performance of works, provision of services, as well as their sale and receipt of revenue, are cash, which are the most liquid assets and limited resources, and, therefore, the success of the enterprise is largely determined by the ability to rationally use and distribute them. The approaches of domestic scientists to understand the essence of the category “cash” in the accounting and economic literature are considered. It was established that there is no unequivocal interpretation of a certain category, each author interprets it in his own way. However, it can be noted that many authors are of the opinion that cash is either income and receipts that are accumulated in monetary form; or funds that are in cash or in bank accounts. It was determined that modern money is not exclusively a product created by the state, but is a product of the market, since it is the market that causes the objective need for money, which the state cannot ignore; the market makes strict demands on the medium that is able to satisfy these demands the most; the amount of money in circulation is determined by certain objective laws, which the state must take into account in its regulatory actions regarding money. It was found that due to the functions of money as a means of circulation and payment, they are in constant motion, which in the internal circulation of the country is money circulation, expressed in cash and non-cash forms. Having studied the concept of “current assets”, it was found that working capital and working capital are current assets, which are defined as cash and their equivalents, which are not limited in use, as well as other assets intended for sale or consumption during the operating cycle or within twelve months from the balance sheet date. In the problem of the role of money in the development of the economy, qualitative and quantitative aspects are highlighted, which are widely used by all states with a market economy to regulate economic life in the country, and thanks to this, influence on such crucial processes as investments, production growth, employment, export and import development and their balancing, etc. It has been proven that money is one of the greatest discoveries during the existence of mankind, and therefore an effectively functioning monetary system is the platform on which the entire cycle of income and expenses is maintained, both of the country’s economy at the macro level and the economy of enterprises at the micro level.

КРУГООБІГ ГОСПОДАРСЬКИХ ЗАСОБІВ ПІДПРИЄМСТВА І МІСЦЕ ГРОШОВИХ КОШТІВ В НЬОМУ

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Ключові слова:

гроші, грошові кошти, засіб обігу, засіб платежу, кругообіг, оборотні кошти, реалізація, сталий розвиток, товарне виробництво

У ході дослідження встановлено, що початковою і кінцевою ланкою кругообігу засобів, який включає придбання товарів, виробництво продукції, виконання робіт, надання послуг, а також їх продаж і отримання виручки, виступають грошові кошти, які є найбільш ліквідними активами та обмеженими ресурсами, і, тому, успіх діяльності підприємства багато в чому визначається здатністю їх раціонально використовувати та розподіляти. Розглянуто підходи вітчизняних науковців для розуміння сутності категорії “грошові кошти” в обліковій та економічній літературі. Встановлено, що однозначного трактування певної категорії не існує, кожен автор інтерпретує її по-своєму. Проте, можна зазначити, що багато авторів дотримуються думки, що грошові кошти – це або доходи та надходження, які акумульовані в грошовій формі; або кошти, які знаходяться в касі чи на рахунках у банку. Визначено, що сучасні гроші не є виключно продуктом створеним державою,

а є продуктом ринку, оскільки саме ринок спричиняє об'єктивну потребу в грошах, з чим держава не може не рахуватися; ринок висуває жорсткі вимоги до носія, який здатний найповніше задовольняти ці вимоги; кількість грошей в обороті визначається певними об'єктивними закономірностями, які держава мусить враховувати у своїх регулятивних діях щодо грошей. З'ясовано, що завдяки функціям грошей в якості засобів обігу та платежу, вони знаходяться в постійному русі, який у внутрішньому обороті країни являє собою грошовий обіг, виражений у готівковій та безготівковій формах. Вивчивши поняття “оборотні кошти”, з'ясовано, що фонди обігу та оборотні фонди – оборотні активи, під якими розуміють грошові кошти та їх еквіваленти, що не обмежені у використанні, а також інші активи, призначені для реалізації чи споживання протягом операційного циклу чи протягом дванадцяти місяців з дати балансу. У проблемі ролі грошей у розвитку економіки виділено якісний і кількісний аспекти, які широко використовують усі держави з ринковою економікою для регулювання економічного життя в країні та завдяки цьому забезпечується вплив на такі вирішальні процеси, як інвестиції, зростання виробництва, зайнятість, розвиток експорту й імпорту та їх збалансування тощо. Доведено, що гроші – є одним з найграндіозніших відкриттів за час існування людства, а отже ефективно функціонуюча грошова система є платформою, на якій тримається весь кругообіг доходів і витрат, як економіки країни на макрорівні, так і економіки підприємств на мікрорівні.

Statement of the problem

All subjects of economic activity refer to the objects of accounting as cash: cash in the cash register, funds in bank accounts and other funds. Enterprises in the process of economic activity constantly enter into relationships with other economic entities when concluding contracts, which are drawn up and secured by contracts: with suppliers – for goods received from them, with buyers – for purchased goods. with them, with banks – for receiving funds and repaying loans, with other legal entities and individuals – for transport and other services, electricity, fuel, etc., with employees – from wages, loans granted to them, etc. Relations that arise between enterprises as a result of the circulation of economic assets are called settlement. They mediate the distribution and redistribution of the social product, its transition from commodity form to monetary form and vice versa. Money, which is the most liquid asset, is the initial and final link of the circulation of funds, which includes the purchase of goods, production of products, performance of works, provision of services, as well as their sale and receipt of revenue.

Analysis of recent studies and publication

A number of domestic scientists were involved in the definition of the category “cash” in the accounting and economic literature: Aleksandrova M. M., Kireitsev H. G., Maslova S. O., Bereza S. L., Babich V. V., Sagova S. V., Butynets F. F., Gordienko D. D., Gura N. O., Kaverin Y. V., Zagorodniy A. G., Vozniuk G. L. Kobylanska O. I., Moroz A. M., Nashkarska G. V., Poddyerogin A. M., Filimonenkov O. S. and many other scientists.

The definition of money largely determined the formation of economic theory as a science. Despite centuries of research and a large number of theoretical concepts of money, humanity today does not have a clear and definitive answer to the question of what money is. Ideas that do not cause doubts in some social conditions, with the change of the latter, came into conflict with the real reality and were rejected. All this can be explained by the fact that the essence of money changes in accordance with changes in the nature of social relations in which it functions. Therefore, in order to understand the nature of

money, it is necessary to clarify the question of its origin, the reasons that led to the emergence and existence of money in the economic life of society.

Objectives of the article

The purpose of the article is to study and define the concept and essence of money and determine its place in the circulation of economic assets.

The main material of the research

The emergence and development of money is a long evolutionary process caused by the spontaneous development of commodity production and exchange. This interpretation of the origin of money was called the evolutionary concept. It is the most scientifically reliable and creates a favorable basis for clarifying the essence of money.

A number of important conclusions follow from it:

- firstly, money by origin is a commodity, but not just a commodity, but a carrier of certain social relations, the formation of which caused the selection of one monetary commodity from a wide range of ordinary commodities;
- secondly, as a result of the long-term evolutionary development of commodity production and the market, money itself cannot be a frozen, once-and-for-all given phenomenon, but must constantly develop both in substance and in forms of existence;
- thirdly, money cannot be abolished or changed by the agreement of people or the decision of the state as long as there are social relations adequate to money, just as it cannot be “introduced” where such relations do not exist [1].

To further study the place of money and calculations derived from it in accounting, first of all, it is necessary to understand the essence of these concepts. Because without an understanding of the main thing, which is determined by deep connections and development trends, the study of research objects, the identification of accounting problems and their solution will not take place. Understanding the essence of the category is necessary for the researcher to know what information he needs to find and obtain in order to learn about what interests him. The passage of time leads to the fact that under the influence of changes in the economy, the understanding of a certain economic

concept also changes, so there is a need to constantly clarify its meaning.

As you know, there is no unequivocal definition of a certain category, each author interprets it in his own way, and therefore, in order to identify differences, we conducted a study of the understanding of the concept of “cash”, which is covered in economic works and publications on accounting (Table 1).

As you can see, many authors are of the opinion that money is either income and receipts that are accumulated in monetary form; or funds that are in cash or in bank accounts.

Defining the evolutionary concept of the origin of money does not completely remove the question of the role of the rational factor in the creation of money, primarily the state. Modern money is not exclusively a product created by the state. Money today is a product of the market. First of all, it is precisely the market that causes the objective need for money, which the state cannot ignore. Secondly, the market makes strict demands on the carrier, which is able to satisfy these demands in the most complete way. Thirdly, the amount of money in circulation is determined by certain objective laws, which the state must take into account in its regulatory actions regarding money. Therefore, today money is not approved by the state, but agreed by the market economy itself. In modern theory, money is defined from a functional point of view as money and is called as:

- a generally recognized means of payment, which is accepted without any restrictions in exchange for goods and services, as well as when paying debts;

- a set of financial assets that are used to make calculations when performing various operations [14].

The above statement can be depicted schematically, as shown in Fig. 1.

Modern Western monetary theory is limited to defining the essence of money as everything that is used as money.

Representatives of another economic school, which has its origins in the labor theory of value, define the essence of money based on its place in commodity exchange. From these positions, money is a specific commodity that has the properties of being exchanged for any other commodity, that is, as a general equivalent. The last definition has the disadvantage that it does not take into account such an important purpose of money as servicing needs and accumulating value [15].

Under the portfolio approach, the definition of money covers its purpose as a medium of circulation and payment as well as a means of accumulation of value and is therefore sufficiently comprehensive and more acceptable than those given above. However, this definition also has a significant drawback – it does not make it possible to draw a clear line between money (monetary assets) and non-money (non-monetary assets), as a result of which the concept of “quasi-money” appears alongside the concept of “money”, the mass of which is determined by many indicators (aggregates), which differ among themselves in the degree of liquidity.

The use of money to service the processes of value accumulation and their productive use (investment) has significantly changed the essence of their purpose. From a simple means of circulation that served the exchange of goods, they turned into a carrier of self-increasing value, that is, into a form of capital. They began to widely serve the accumulation of value, its use to finance the development of production, the formation on this basis of the mass of loan capital and its movement. Ensuring the self-growth of value has become the priority goal of the movement of money in the process of reproduction, which significantly affects the interests of economic subjects and their relationships.

When used in the field of investment, money becomes a carrier of capital, which makes it necessary to distinguish between money as money and as capital.

Table 1 – The concept of “cash” in economic works and publications on accounting

№	Author	Determination of cash funds
1	Aleksandrova M. M., Kireitsev H. G., Maslova S. O.	“Money is a historical category that develops at each stage of commodity production and is filled with new content, which becomes more complicated with changes in production conditions” [2]
2	Bereza S. L.	“Cash assets – cash, money in bank accounts and other assets that can be converted into cash within 48 hours” [3]
3	Babich V. V., Sagova S. V.	“Cash is the currency of Ukraine and foreign currency, in the form of cash, funds in deposit accounts and other bank accounts” [4]
4	Butynets F. F.	“Cash (cash funds) is a form of existence of money, used as a means of circulation and payment; banknotes and coins of the national currency of Ukraine – banknotes and coins in circulation and are valid means of payment” [5]
5	Gordienko D. D.	“Funds appear both in cash and non-cash forms (they are in bank accounts and their circulation is regulated by binding law), can be both national and foreign currency” [6]
6	Gura N. O., Kaverin Y. V.	“Cash means accumulated in cash in bank accounts, profits and receipts of legal entities, which are used by the latter” [7]
7	Zagorodniy A. G., Vozniuk G.L	“Cash (monetary funds) – cash, funds in bank accounts and demand deposits” [8]
8	Kobylyanska O. I.	“Cash means cash, funds in bank accounts and demand deposits” [9]
9	Moroz A. M.	“Cash means income and receipts accumulated in cash on the bank accounts of enterprises, organizations, institutions and used to meet their own needs or placed as bank resources” [10]
10	Nashkerska G. V.	“Cash funds of the enterprise include unlimited money and cash documents on current and other accounts, in the cash register of the enterprise, as well as cash equivalents” [11]
11	Poddyerogin A. M.	“Cash means the company’s money, which is in its bank accounts, in the cash register of the company and with accountable persons. In accordance with current legislation, the company’s funds are kept in its current, currency, budget and other bank accounts” [12]
12	Filimonenkov O. S.	“Funds in the form of money that are in the company’s cash register, on accounts in bank institutions, in letters of credit, with accountable persons and on demand deposits are called cash” [13]

Money as money is used mainly for the realization of available consumer value, that is, its purpose is limited to mediation in exchange.

Money as capital is used to provide present value. They are used to form industrial or trading capital or as loan capital. In all these cases, the intended use of money expands significantly, its new functional forms develop, in particular the means of accumulation and the means of payment, the role of money in the economic life of society increases significantly.

Money as capital manifests itself most clearly within the capital circulation of an individual enterprise. The amount of money available to him (in bank accounts in cash registers) is both a part of the working capital of the enterprise and a mass of liquidity, which ensures its current solvency. An increase in this amount simultaneously increases the working capital of the enterprise, that is, its liquidity, makes the enterprise economically more powerful [15].

Money can appear in various forms (Fig. 2) and manifests its essence through the functions it performs.

Due to the functions of money as means of circulation and payment, they are in constant motion. The movement of money in the internal circulation of the country is monetary circulation, which is expressed in cash and non-cash forms, which, in turn, mediate the movement of goods and services, as well as serve non-commodity payments. Therefore, it is not surprising that the basis of monetary circulation is commodity production, which is related to commodity turnover.

The question of the functions of money is one of the most controversial in the theory of money. Disagreements concern not only the interpretation of individual functions, but also their number. Discussions are conducted both between representatives of different theoretical schools and within each of them.

The role of money is closely related to its functions. If the function of money is its specific “work” to maintain the movement of value at a certain stage of the reproduction process, then the role of money is the final result of this “work”, its consequence for society.

The role of money is determined by the level of development of commodity production and social relations adequate to it. It cannot be implemented where there are no suitable conditions for this. Thanks to the spread of monetary relations, all factors of social production – means of labor, objects of labor, labor power – simple commodity production turned into capitalist, and money itself acquired a fundamentally new quality – became a carrier of capital, opened the possibility for everyone who has free value, easily and quickly to capitalize [14].

Cash funds of enterprises and business organizations are working capital that will be used to pay for production stocks; deductions for social insurance and other centralized funds before their transfer; part of the profit before it is deducted in the budget and net profit before it is used as intended; funds of the amortization and repair fund before their intended use; raised funds of other enterprises and organizations, citizens through the issue of shares.

The main sources of cash receipts are proceeds from the sale of goods (works, services), income from financial transactions, bank loans and other loan funds, targeted allocations and receipts.

For the enterprise, the main task is to optimize the average current balance of its funds, which ensures their effective use: the surplus leads to the lost benefit from financial investments, the shortage causes difficulties in settlements with suppliers, tax authorities, as well as with personnel for payment of labor, etc. Since money is a form of expression of working capital, it is necessary to find out what place it occupies in the circulation of the company’s assets.

When studying the concept of “working capital”, the views of leading scientists who expressed their opinions were analyzed: O. D. Vasylyka, M. Ya. Demyanenko, A. I. Zagorodnyi, M. I. Moldovanova, S. V. Mocherny, S. F. Podkropivny, A. V. Shegdy et al. It was established that the authors understand the concept of “working capital”:

- the totality of all production means of the enterprise, its receivables, cash, short-term financial investments and promissory notes;

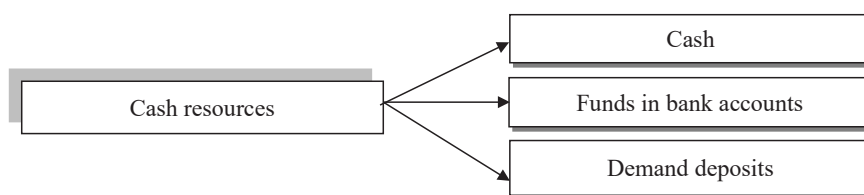


Fig. 1 – The structure of monetary funds

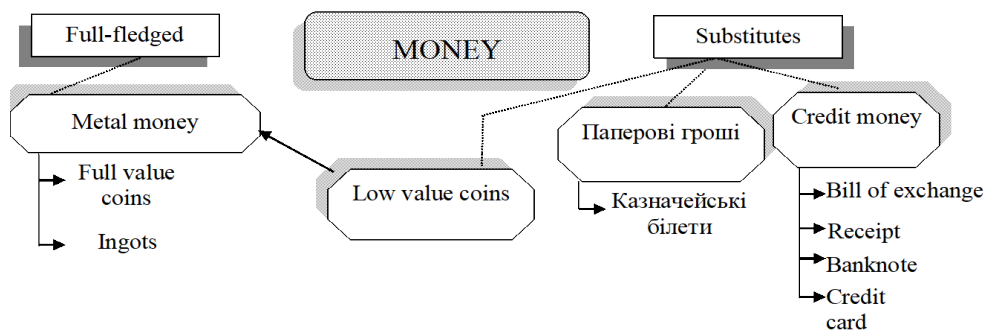


Fig. 2 – Forms of money

- money in circulation;
- cash funds of the enterprise, which are advanced (in tangible assets) for the formation of working capital and circulating funds [16].

If we consider the last definition, then we can say that the totality of working capital and working capital are quantitative parameters of assets with the economic essence of working capital, which are designed to ensure the continuity of the process of reproduction (enterprise activity), during which they necessarily go through all stages of this process (Fig. 3).

It can be seen from the given figure that at the first stage of the circulation, working capital is in the form of cash (circulating funds), which are advanced into production stocks necessary for the implementation of production activities. At the second stage, production stocks (current assets) are transformed into finished products under the influence of live labor and labor resources, which at the third stage – implementation – are transformed into monetary or other forms (current assets).

From the above, we can see that working capital and working capital are current assets, which are understood as cash and their equivalents, which are not limited in use, as well as other assets intended for sale or consumption during the operating cycle or within twelve months from the balance sheet date.

In the problem of the role of money in the development of the economy, qualitative and quantitative aspects can be distinguished. In a qualitative aspect, the role of money is revealed in the fact that its very presence, the monetary environment in which economic agents operate, positively affects the development of social production:

1. The physical limits of production, determined by the personal needs of the producers themselves, are removed. You can produce as much as you can sell, and the excess value can be saved in cash or converted into loan capital.

2. Realization of manufactured products for money, instead of barter, significantly simplifies, speeds up and lowers the cost of bringing them to consumers. Society receives significant savings on sales costs, working capital needs are reduced, and consumer needs are better met.

3. Thanks to money, the market acquires a general character, its mechanism becomes a powerful lever of the economic process, primarily due to competition, stimulation of efficient production and economic consumption – industrial, state, personal.

The quantitative aspect of the role of money is that due to the change in the amount of money in circulation, it is possible to actively influence economic processes, in particular, the results of the activities of economic agents as producers and consumers.

This opportunity is widely used by all states with a market economy to regulate economic life in the country. By increasing or decreasing the mass of money in circulation, central banks, acting on behalf of their states,

ensure a change in such economic instruments as solvent demand, prices, interest, exchange rates, securities rates, etc. Thanks to this, influence on such crucial processes as investments, production growth, employment, export and import development and their balancing, etc. is ensured.

As the market transformation of Ukraine’s economy deepens, the role of money in its development is noticeably increasing. Gradually, the Ukrainian hryvnia turned into a truly common equivalent, a “main actor” on the market. Anyone with money can freely buy any desired product on the domestic market. This significantly increased the interest of economic subjects in earning more money and spending it more economically. It has become much easier to capitalize money by investing it in securities and bank deposits. The introduction of partial convertibility of the hryvnia significantly increased the role of money in the development of foreign economic relations, in the integration of the Ukrainian economy into the world economy. Monetary and credit policy has taken a key place in the mechanism of state regulation of the economy. The dynamics of prices began to react significantly to the regulatory measures of the National Bank of Ukraine in the monetary sphere. However, these positive decisions have not yet produced tangible results in the development of social production, which has been in a state of chronic crisis for about nine years [17].

The experience of countries with developed economies not only testifies to the enormous role of money, but also shows the main directions of its successful use in the transformational economy of our country:

1. This is the maximum transfer to market principles of all spheres of economic relations. The principles of equivalence, self-financing, and self-sufficiency should be the basis for the activities of not only manufacturing enterprises, but also economic entities in the fields of science, education, health care, etc.

2. Reorientation of the goals of economic, including monetary, policy with ensuring the interests of the center to the interests of the direct producer, individual collectives, districts, etc.

3. Provision of free guaranteed capitalization of monetary income of all subjects of monetary relations by all methods compatible with our priorities.

4. Improving monetary accounting, ensuring a high, stable value of the monetary unit.

Differences in the nature of economic relations between subjects of monetary turnover give grounds for structuring it into separate sectors.

According to the logic of the reproductive process, the first type of economic relations realized in monetary circulation is exchange relations. Characteristic of the movement of money that serves these relations is:

- equivalence;
- irreversibility;
- straightness.

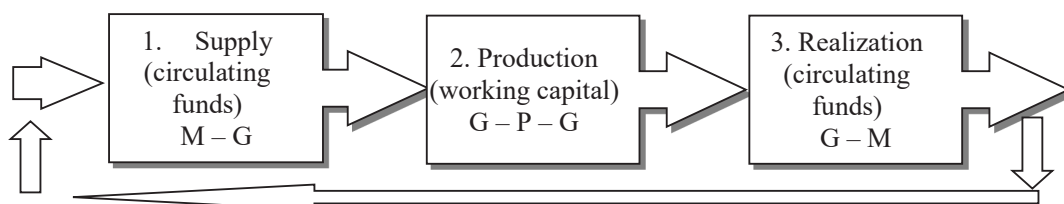


Fig. 3 – Stages of the enterprise’s asset turnover

Such a nature of the movement of money, which serves the sphere of exchange, gives reasons to allocate it into a separate sector, which is called monetary circulation.

The non-equivalent, irreversible movement of money, that is, some subjects spend money forever and without receiving any income, while others also receive it irreversibly and without paying any price for it, is called fiscal and budgetary turnover.

The flow of money, which ensures the implementation of redistributive relations, has a reverse character, when the owner returns his money in a stipulated period or can return it, for example, when buying shares, and, in addition, receives income in the form of interest or dividends. This sector of monetary turnover is called credit turnover.

Monetary circulation, fiscal-budgetary and credit circulation as components of aggregate monetary circulation are closely interconnected, internally intertwined and complement each other in ensuring the goals of expanded reproduction. At the same time, they are independent phenomena, with their own special regulation mechanism and specific possibilities of influencing the reproduction process.

The ratio of non-cash and cash spheres of money circulation in Ukraine can be roughly determined as 2:1, since cash accounted for 43.4 % of the total mass of money, and current deposits – about 23 %. Compared to Western countries, the specific weight of cash turnover in the structure of monetary turnover of Ukraine is too

high. This fact is often regarded as a shortcoming of money circulation and the monetary system in general, as a negative phenomenon in the activity of the banking system, in particular the NBU. However, this is rather a natural reaction of monetary turnover to the problems and difficulties of the transitional economy of Ukraine. In the situation that developed in the economy of Ukraine during this period, the structure of money circulation could not be different.

Conclusions

So, on the basis of the conducted research, we note that money is one of the grandest discoveries during the existence of mankind. Being the most important factor in the stable functioning of the market economy, money directly affects the stability of the country's economic development, contributing to the maximum use of the capacities of enterprises, full employment of the population, etc. An effectively functioning monetary system is the platform on which the entire cycle of income and expenses is maintained, both of the country's economy at the macro level and the economy of enterprises at the micro level.

As the market transformation of Ukraine's economy deepens, the role of money in its development is growing noticeably. Money and the entire sphere of its circulation acquire special importance in the modern conditions of the organization of state regulation of the economy.

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THEORETICAL AND APPLIED ASPECTS OF ECONOMIC PROCESSES IN UKRAINE AND IN THE WORLD ECONOMY

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EDUCATION AND SCIENCE AT KAZNU NAMED AL-FARABI

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ОСВІТА І НАУКА В КАЗНУ ІМЕНІ АЛЬ-ФАРАБІ

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The education and science system in the Republic of Kazakhstan will comply with the goals and principles of sustainable development. The improvement of education and science for sustainable development should be carried out on the basis of:

- ensuring the modernization of the national system of multilevel education, taking into account the priorities of the Strategic Development Plan of the Republic of Kazakhstan until 2010 to improve the quality of human resources training and meet the needs of the individual and society;
- creation of a number of elite international educational institutions and student campuses in the country;
- modernization of education at the scientific and methodological level, creation of fundamentally new structures that ensure the interconnection of educational, scientific and production processes;
- introduction of technological training in secondary school in order to develop students' new abilities and skills, including the ability to design, make decisions and perform creative work, maintain a high level of innovation;
- preparation of a competitive personality ready for active participation in the social, economic and political life of the country;
- ensuring equal access to full-fledged education for different categories of students, creating conditions for teaching high school students in accordance with their individual abilities and intentions regarding continuing education, self-realization and finding their place in the labor market;
- creation of broad opportunities for socialization of students, effective preparation of school graduates for the development of vocational education programs;

- monitoring of the personnel potential of the republic with the determination of the projected need for specialists of the highest scientific qualification both at the republican and regional levels;

- reforming domestic science with a focus on both its own and foreign traditions, with the support of not only scientific areas that give immediate impact, but also the scientific community as a whole, which is an essential element of sustainable development of society;

- formation of the national innovation system (NIS) as the most important condition for the implementation of the links between science and production;

- stimulating the introduction of domestic scientific achievements into practice;

- creation of technological institutes and ensuring their financing to carry out research and research in the field of promising technological developments so that targeted production schemes are based on technologies adapted to local conditions, environmental rehabilitation technologies, as well as technologies based on traditional knowledge;

- improving the regulatory framework in the field of intellectual property protection, the use of patents, establishing legal relations with foreign and domestic investors, private enterprises when using the results of scientific research.

Creation of the Kazakhstan segment of the Internet, functioning on the basis of the principles of public freedom of information [1].

As an example of a developed in the field of science and education, we can name one of the leaders of the following university. According to the results of the "QS World University Ranking by Subject 2020" Al-Farabi KazNU has improved its performance and strengthened position.

In QS “WUR by Subject”, more than 1200 universities of the world were ranked in five subject areas. Compared to last year, KazNU has significantly improved its performance in the specialty “Art and Humanities”, moving forward from 339 to 277 place, and in “Social Sciences & Management” – 351 place. In the specialty “Modern Linguistics”, the University is in the top 51–100 of the best Universities in the world, top 201–250 in “Linguistics”, and in “English Language & Literature” and “Law” is in the group 251–300. For the first time, the following specialties were included in this rating – “Mathematics” (top 351–400), “Economics & Econometrics” (451–500), and “Physics & Astronomy” (551–600).

The rating methodology is based on four key indicators: academic reputation, reputation among employers, citation of scientific articles and the Hirsch index. The rating was compiled taking into account the opinions of more than 95 thousand teachers, 45 thousand employers, as well as data taken from the “Scopus” database. It should be noted that KazNU, transforming into a world-class research University, is successfully advancing in world rankings. Thus, in 2019, according to the results of the global QS rating, the leading Kazakhstani University took the 207th place in the list of the best HEIs in the world. From the CIS countries, this group included only Lomonosov Moscow State University and Al-Farabi KazNU.

Al-Farabi Kazakh National University is recognized as the best in the Times Higher Education University Impact Rankings-2021. For all 17 Sustainable Development Goals (SDGs) formulated by the United Nations until 2030, the university’s indicators were dominant. To date, no Kazakhstani university has reached such an indicator. The Times Higher Education University Impact Rankings (THE IR) analyzed the activities of 1.115 universities around the world. The world ranking is designed to assess the implementation of the sustainable development goals of higher education institutions.

Al-Farabi Kazakh National University achieved impressive results in the international QS World Universities Rankings and took the 150th position among universities from around the world. In one year, the university moved up 25 positions within the Top 200,

rising from 175 position to 150 place and is on a par with the top universities in the world.

Al-Farabi KazNU proved its leading position among not only universities in Kazakhstan, but also throughout Central Asia and the CIS countries.

The achievement of significant progress of al-Farabi Kazakh National University is the result of transformation into a world-class research university.

The record success of KazNU is the result of the dynamic work of teachers, scientists and students. Undoubtedly, this is an indicator of global competitiveness and high recognition of the university in the international arena.

On June 8, 2022, Quacquarelli Symonds announced the results of the global World University Rankings (QS WUR). QS WUR is one of the most respected university rankings in the world. 2462 higher education institutions participated in the QS WUR ranking, of which only 1422 universities were ranked.

The QS WUR ranking of the best universities in the world has been published since 2004. The assessment of the best universities in the world in the QS WUR ranking is based on six criteria (see Table 1).

The list of 17 goals identified by the UN includes: the elimination of poverty and hunger; healthy lifestyle; the quality of education; gender equality; rational use of water resources; clean water and sanitation for all; access to energy sources; decent work and economic growth; industry, innovation, infrastructure and other requirements. Thus, KazNU ensures economic, social and ecological balance [2].

Table 1

№	Indicator	%
1.	Academic reputation	40 %
2.	Reputation among employers	10 %
3.	The ratio of teaching staff to the number of students	20 %
4.	Citation index	20 %
5.	The share of foreign teachers	5 %
6.	The share of foreign students	5 %

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GLOBALIZATION AND SOCIO-ECONOMIC PROCESSES IN UKRAINE AND THE WORLD IN THE CONTEXT OF WAR

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Key words:

globalization, socio-economic processes, GDP, migration, information technologies

The article examines the development process of globalization since the end of the Second World War. Examples of manifestations of globalization both in the historical context and in the integration context are provided, in particular, at the request of the world and many countries, a number of international organizations were created, among them the UN, the IMF, the World Bank Group, and the WTO. The development of countries and sectors of the world economy is tracked, which led to the emergence of the concept of “industrial countries”, and later their transition to a new dimension as “post-industrial countries”. Information about the financial sphere is provided, in particular, the article talks about the new global financial settlement system and the development of SWIFT.

Also, the authors consider the emergence of global problems of humanity, which over time occupied one of the main places for study and research. The authors consider the creation of the European Union to be another manifestation of globalization. The new challenges faced by the world after the end of the Second World War and until today are highlighted. Among them, the authors emphasize the global economic crisis of 2008, the emergence and spread of the COVID-19 pandemic in 2020, and the start of a full-scale war between Russia and Ukraine in 2022. The authors of the article pay attention to such aspects as: the global GDP index, GDP by regions of the world and Ukraine’s GDP. An analysis of GDP indicators since 1991 was conducted, which confirmed the reflection of the challenges to globalization processes indicated above. Attention is drawn to the connection of Ukraine and Russia with many countries of the world, despite their small weight in the world GDP. The migration processes in Ukraine are highlighted and assistance programs of other states are reminded of providing shelter to Ukrainian migrants who decided to leave the country in order to save their own lives and the lives of their children. Quantitative indicators of the growth of migration in general and by countries of the world from February 24, 2022 are analyzed. Attention is drawn to the influence of information technologies on the attitude of world states to the war in Ukraine. Despite the challenges facing globalization, the countries of the world are still changing and becoming more dependent on each other, and over time we can expect even greater restructuring of the world.

ГЛОБАЛІЗАЦІЙНІ ТА СОЦІАЛЬНО-ЕКОНОМІЧНІ ПРОЦЕСИ В УКРАЇНІ ТА СВІТІ У КОНТЕКСТІ ВІЙНИ

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Ключові слова:

глобалізація, соціально-економічні процеси, ВВП, міграція, інформаційні технології

У статті розглядається процес розвитку глобалізації з часів закінчення Другої світової війни. Надаються приклади проявів глобалізації як в історичному контексті, так і в інтеграційному, зокрема на вимогу світу та багатьох країн було створено низку міжнародних організацій, серед них згадувались ООН, МВФ, група Світового банку та СОТ. Відстежується розвиток країн та галузей світової економіки, що призвело до появи понять “індустріальні країни”, а згодом їх перехід у новий вимір як “постіндустріальні країни”. Надаються відомості щодо фінансової сфери, зокрема у статті говориться про нову світову фінансову систему розрахунків та розвиток SWIFT. Також, автори розглядають виникнення глобальних проблем людства, які з часом

посіли одне з головних місць для вивчення та дослідження. Ще одним проявом глобалізації автори вважають створення Європейського союзу. Висвітлюються нові виклики, які постали перед світом після закінчення Другої світової війни й до сьогодні. Серед них автори акцентують увагу на світову економічну кризу 2008 року, виникнення і розповсюдження пандемії COVID-19 у 2020 році та початок повномасштабної війни Росії проти України у 2022 році. Автори у статті приділяють увагу таким аспектам, як: показник світового ВВП, ВВП за регіонами країн світу та ВВП України, висвітлюються міграційні процеси в Україні та програми допомоги інших держав щодо надання прихистку українським мігрантам, які вирішили поїхати з країни задля порятунку власного життя та життя їх дітей, й звертається увага на вплив інформаційних технологій на ставлення держав світу до війни в Україні.

Statement of the problem

Russia's war against Ukraine in 2022 has become a factor in the crisis phenomena development. As Ukraine is fully integrated into global processes and has established international relations with many countries, it is logical that the impact of the war is felt all over the world. In this regard, the first manifestations of the crisis phenomena have been a large-scale population migration from Ukraine to many European countries and economic decline in the country and the world.

The analysis of the recent research and publications

Nowadays, many international organizations are trying to investigate and provide more accurate forecasts regarding the impact of the war in Ukraine on various countries and the world economy in general. Such organizations are the IMF, the World Bank, the OECD and others [1; 2; 3]. Among the researchers, it is essential to mention V. Kozyuk's study on globalization and democracy, where he examines globalization through the prism of the current situation, providing historical dimensions and examples [4]. In addition, A. Zanuda's article focuses on the economy of Ukraine and the consequences of this war for Ukraine [5]. Among foreign authors, we mention the article by L. Anaya, N. Blum, etc., in which they considered the impact of the war in Ukraine on the economic uncertainty of business [6].

Objectives of the article

The objectives of this article are to investigate the development of globalization after the Second World War and to consider the impact of the 2022 war in Ukraine at the global level and local Ukrainian level, analyzing the following components: the global GDP indicator, the GDP of the world countries and the GDP of Ukraine, migration processes, the development of various international social programs regarding assistance to Ukrainian citizens and changing the attitude of the world community towards the war and Ukraine as a whole.

The main material of the research

In the 20th century, the Second World War changed the apprehension of the world community about the importance of international organisations in order to maintain peace and develop economies. That apprehension resulted in the establishment of such organisations as

the UN, the World Bank Group, the IMF, the WTO and others. Those attempts to keep peace globally were one of the vital manifestations of globalisation. Despite the fact that there are many different conceptions and approaches concerning globalisation development, the article relies on the fact that since the 20th century globalisation processes have gradually gained momentum and become an integral part of the world community, which to a certain extent is a combination of two approaches to the interpretation and chronology of the development of globalisation. The first approach is based on the statement that globalisation is a long historical process of a gradual formation of global integrity, which accompanies the entire course of civilisational development in connection with foreign economic relations. The fundamental idea of the second approach lies in the apprehension that globalisation is a new process that began at the end of the 20th century and was deliberately connected with the more general process called internationalisation [7].

We have observed that globalisation is both a historical process consisting of certain stages of development and an internationalisation process as it has been acquiring its enlargement rapidly and a leading position in the world from the end of the 20th century. After establishing various international institutions to support peace and world economics, the manifestation was the development of such branches of economy as mechanical engineering, chemical and mining industries, and information technology. Furthermore, the G7 countries became the flagships of the world economy and introduced the new term "industrial countries" into economic theory.

Another manifestation of globalisation is the foundation of the Jamaican currency system, a modern system in international currency relations based on free-floating exchange rates, which became the basis for the SWIFT system. In this regard, the new currency and the SWIFT system became fundamental for the development of the global economy when the connections between countries became tighter and gained momentum.

Along with the economic development of the world, the world community began to pay more attention to problems on a world scale, that is, global problems. Thus, since 1980, climate change, poverty, and hunger have become important topics for research.

The adoption of the new currency system, the introduction of the SWIFT system, and the focus on vital

world problems resulted in the creation of the European Union and the recognition of the formation of a global economy. This step is also a manifestation of globalisation since its essence is the convergence of borders and the even more development of interrelationships between countries to solve global problems and sustainable development of the world's economies.

The beginning of the 21st century was marked by the gradual departure of the world's leading countries from the industrial sector to the service sector. Changes of the directions could have an explanation as if it expressed increasing concerns of many countries regarding further changes in climate and the depletion of the earth resources. Such actions gave the world a new economic definition "post-industrial country". In those countries, services account for more than 50 % of GDP developed into leading countries.

Nowadays, economists and researchers pay more substantial attention to finding solutions for the global problems of humanity, implementing the ideas of sustainable development, considerable and in-depth integration processes, the rapid development of advanced technologies such as artificial intelligence and the increase of information technology possibilities. Despite that, in the 21st century, the world community faced at least three challenges:

- The first challenge occurred in the global financial crisis in 2008, which was related to the fall of global financial markets.

- The second challenge was the COVID-19 pandemic in 2020. This crisis made the world economic system more vulnerable than the previous one, as it affected the financial sector, let alone the social one. A series of tough quarantine measures to prevent the spread of the virus, including border closures and movement restrictions, have been enacted, which has crippled service sectors such as tourism, transport and various entertainment activities and limited international trade.

Assumably, the Covid-19 crisis had a significant impact on globalisation processes. However, over time, the world community adapted to new realities and began to develop new technologies to ease the situation of world economies and launched new globalisation processes. Undoubtedly, the companies of the world started to use robots in their activities or massively transfer their employees to work remotely from home, even though it has affected the social and communication developments among people and increased the unemployment rates.

- The third challenge, equally important as the two previously, is Russia's full-scale war against Ukraine. According to the OECD report dated March 2022, the significance of the Ukrainian and Russian economies in the world economy is enormous. Together, they account for only 2 % of world GDP at market prices and the same share in world trade. In this regard, Ukraine and Russia have substantially influenced the world economy, as the countries are leading suppliers of goods in several markets. Ukraine and Russia provide approximately 30 % of world exports of wheat, 20 % of corn, mineral fertilizers, natural gas and 11 % of oil. In addition, the countries have

sufficiently large deposits of various metals and play a vital role in the global supply chains of these minerals [3]. Therefore, today's challenge to the world is complex and carries many severe consequences and solutions. So, we offer to consider the current socio-economic situation in the world in more detail.

Firstly, it is essential to analyse the health of the present-day world GDP rate (Fig. 1).

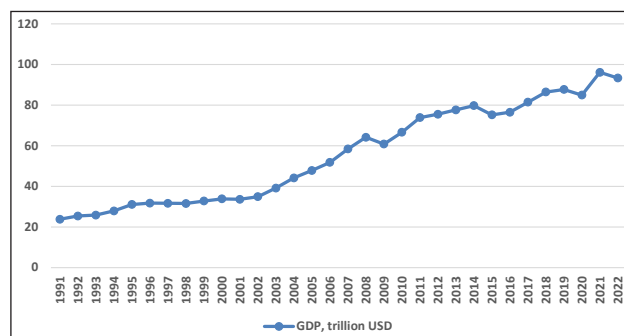


Fig. 1 – The dynamic of the world GDP in trillion USD, 1991–2022

Source: Prepared by the authors in accordance with the data [1; 8]

Analysing Figure 1, it is clear that the sharp drop in world GDP has occurred at least four times, the reasons for three of which we have already guessed before. The fourth drop occurred due to the beginning of Russia's aggression against Ukraine in 2014, which led to the occupation of Crimea and parts of the Luhansk and Donetsk regions. Furthermore, it was possible to observe imbalance in the oil market, due to which the prices of its raw material fell.

According to the IMF's forecast and report, the indicator is expected to fall by 2.9 % from the previous year. If we consider other analysis regarding the state of GDP, the IMF provided the following data (Fig. 2, 3).

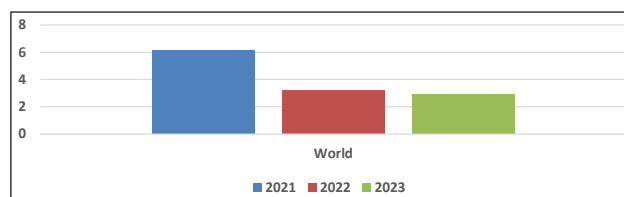


Fig. 2 – The increase of the world real GDP in percentage

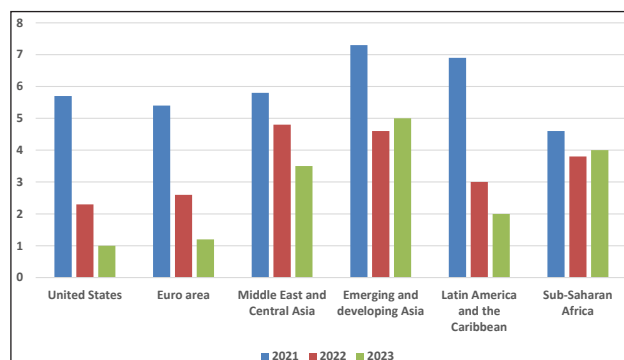


Fig. 3 – The increase of the real GDP in percentage by regions in the world

Source: prepared by the authors in accordance with the data [1]

According to Figures 2 and 3, it is possible to trace that the IMF predicts a sharp drop in global GDP by region not only in 2022 but also in 2023. Only two regions of the world are expected to see a slight increase in this indicator in 2023 compared to 2022 – these are the countries of Asia, whose market is forming and developing, as well as sub-Saharan Africa, whose growth is 5 % and 4 %, respectively.

Additionally, according to estimates by the IMF and the World Bank, the drop in Ukraine’s GDP will reach 35 % of the last year [9].

Secondly, migration processes in the world, in which Ukraine significantly impacted, should not be out of attention. According to the Operational Data Portal, we can observe the following situation (Fig. 4).

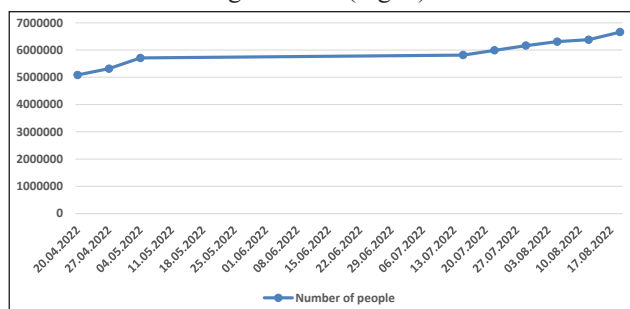


Fig. 4 – Number of Ukrainian refugees since the beginning of the full-scale war

Source: prepared by the authors in accordance with the data [10]

According to Figure 4, there is a gradual increase in the number of Ukrainian citizens who have left the country to seek refuge in a peaceful place and protect their children and themselves. On 17 August 2022, 6.657.918 people crossed the Ukrainian border and settled in European countries. Of those people, 3.840.568 Ukrainian citizens have registered and received temporary residence permits or used the scheme allowing them to travel to those countries and stay there. The following countries have the highest number of registered refugees from Ukraine (Fig. 5).

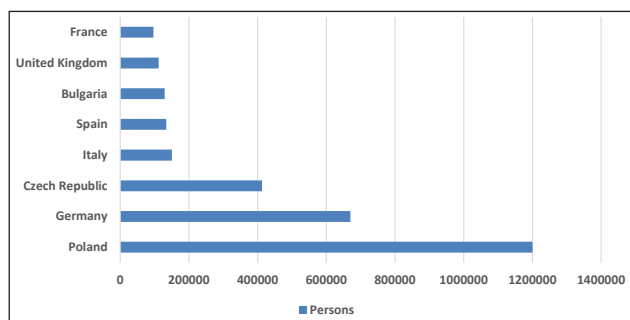


Fig. 5 – Number of Ukrainian refugees dated 29.07 and 17.08

Source: prepared by the authors in accordance with the data [10; 11]

In addition, there is an opinion that the mass migration of people from Ukraine is higher than during the Second World War [4]. This phenomenon can be explained by the fact that many countries of the world have opened their borders for Ukrainians and somewhat simplified the

procedures for crossing borders. For example, people have the right to leave Ukraine not only with travel documents but also with internal passports or ID-cards even though their documents are expired or without any personal ID. The governments of many countries considered and took those measures in order to provide protection for the citizens of Ukraine from the horrors of war and the inhumanity of the Russian military.

It is essential to remind you that some countries of the world have introduced various programs and schemes to help citizens of Ukraine await the war or establish a new life in another safer country. An example of such programmes is the social programs of the EU, which were immediately implemented by Poland, Germany, the Czech Republic, and others, and the humanitarian schemes of Great Britain, one of which is called Homes for Ukraine. The basis of such programs is to provide Ukrainians with a temporary legal stay or residence permit, a package of social assistance with the search for employment, housing, monetary benefits, and the opportunity to study and temporarily become full-fledged members of the new society.

In this regard, analysis of migration processes demonstrates manifestations of globalisation as countries have opened their borders and are trying to be closer to Ukraine in times of crisis.

Thirdly, we could suggest mentioning the human factor in this situation. People now have access to vast information through the Internet and social media. On the one hand, it is good that there is an opportunity to share information with others regarding the current situation in Ukraine and thus receive various help from world partners. On the other hand, the aggressor and its allies have created fakes and propaganda, which undermine Ukrainian territorial integrity and security.

Therefore, Ukrainians are living in a constant struggle not only on the military front but also in the information and digital dimension. Assumably, the outcomes of this situation are changes in the attitude of the world community towards the war and Ukraine in general. Ukrainians know the price of hard work to reach an understanding from the world community, gaining their support through the explanation that Ukraine is fighting not only for its freedom but for democratic values. It is visible how the attitude towards Ukraine as a state has changed in a short time. Most world organisations and leaders have also gradually become more decisive and are showing us their strength and determination, like at the time of the Second World War.

On this ground, modification of world opinion is also a globalisation process since information technologies and a sense of humanity is involved. However, these changes do not make a big difference. What is more, radical changes are to happen in the world as now Ukrainians are standing against the background of the emergence of a new world order with new realities, consequences, and a system of world security and economic network.

Conclusions

Summing up the result of the research, It is essential to state that globalisation has a historical and gradual natural

process of integration of world economies. Considering the impact of the war in Ukraine on the socio-economic development in the world and Ukraine itself, there is a conclusion that although Ukraine and Russia do not possess a large share of the world GDP, their role is still substantial for various reasons. Therefore, the war affected global development dictating new conditions to which it is necessary to adapt and respond quickly. According to the

analysis, changes in world GDP and the GDP of certain countries are visible due to the massive migration flow from Ukraine that resulted in taking immediate measures regarding the help of Ukrainian refugees. Consequently, those actions will, eventually, bring the world and people closer to the new world order, let alone digitalisation and access to information. All in all, globalisation is presented in any aspect of warfare.

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DOI <https://doi.org/10.26661/2414-0287-2022-3-55-13>**PROBLEMS AND PROSPECTS OF LAND MARKET DEVELOPMENT IN UKRAINE****Kolomoiets O.O.***Zaporizhzhia National University*
Ukraine, 69600, Zaporizhzhia, 66 Zhukovsky St.
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ORCID: 0000-0002-4753-0119**Key words:**land, land reform, land market,
market price of land, land
protection

In the context of the opening of the land market in Ukraine, consideration of key and environmental problems related to the exploitation of land resources becomes especially relevant. Despite the large number and relatively high quality of available land resources, their ecological condition does not meet regulatory standards, and the value of land is low. The article summarizes the main ecological and socio-economic problems of the modern land market. In particular, attention is focused on the problem of soil degradation in the context of environmental problems and the low value of land in the context of socio-economic problems. The plowed land in Ukraine has reached 81 %, i. e. 57 % of the entire territory. For comparison, plowed territory of the USA is 15.8 %, and agricultural land is 35.9 %; the plowed area of the territories of most European countries is from 28 to 32 %, where the share of arable land is from 40 to 58 %. The actual price of the land during the first 100 days of operation averages about 1.500 USD. One of the main reasons is the low solvency of the population of Ukraine. For comparison, the price of land in European countries ranges from 4.000 euros per hectare in Finland to 10.000 to 12.000 euros per hectare in France and Germany, and 25.000 euros in the Netherlands. The experience of developed countries indicates that the introduction of free market circulation of agricultural land must be preceded by the creation of the necessary favorable conditions, especially in matters of weighted taxation of land purchase and sale transactions, effective market mechanisms of state support for agrarian entrepreneurship, mortgage lending, the formation of market infrastructure, the prevention of monopolies manifestations, significant limitation of the shadow economy in the agricultural sector, insurance of agricultural risks, etc. It has been established that in Ukraine it is necessary to create the appropriate infrastructural support for effective land use, in particular, from the land bank, credit unions, an extensive network of advisory and monitoring organizations for the forecast of productivity, pollution of land plots, etc.

ПРОБЛЕМИ ТА ПЕРСПЕКТИВИ РОЗВИТКУ РИНКУ ЗЕМЛІ В УКРАЇНІ**Коломоєць О.О.***Запорізький національний університет*
*Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**земля, земельна реформа, ринок
землі, ринкова ціна землі,
охорона земель

В умовах відкриття ринку землі в Україні особливої актуальності набуває врахування вирішення ключових та екологічних проблем, пов'язаних з експлуатацією земельних ресурсів. Незважаючи на велику кількість та відносно високу якість наявних земельних ресурсів, їх екологічний стан не відповідає нормативним показникам, а вартість землі є низькою.

У статті узагальнено основні екологічні та соціально-економічні проблеми сучасного ринку землі. Зокрема акцентовано увагу на проблемі деградації ґрунтів в контексті екологічних проблем та низької вартості землі в контексті соціально-економічних проблем. Розораність земель в Україні досягла 81 %, тобто 57 % всієї території. Для порівняння розораність території США становить 15.8 %, а сільськогосподарських угідь – 35.9 %; розораність територій більшості європейських країн – від 28 до 32 %, де частка ріллі рівна від 40 до 58 %. Фактична ж ціна землі протягом перших 100 днів функціонування складає в середньому близько 1500 доларів США. Однією з основних причин є низька платоспроможність населення України.

Для порівняння у країнах Європи ціна землі складає від 4 тис. євро за 1 га у Фінляндії, до 10–12 тис. євро за 1 га у Франції та Німеччині,

а в Нідерландах – 25 тис. євро. Досвід розвинених країн вказує на те, що запровадженню вільного ринкового обігу земель сільськогосподарського призначення повинно передувати створення необхідних сприятливих умов, особливо в питаннях зваженого оподаткування операцій купівлі-продажу землі, ефективних ринкових механізмів державної підтримки аграрного підприємництва, іпотечного кредитування, формування ринкової інфраструктури, недопущення монопольних проявів, суттєвого обмеження тіньової економіки в аграрному секторі, страхування сільськогосподарських ризиків тощо. Встановлено, що в Україні необхідно створити відповідне інфраструктурне забезпечення результативного землекористування, зокрема, з земельного банку, кредитних спілок, розгалуженої мережі консультативних та моніторингових організацій з прогнозу урожайності, забрудненості земельних ділянок тощо.

Statement of the problem

Ukraine has the largest area of fertile agricultural land in the world, which is 42.7 million hectares or 70.8 % of the country's territory, of which 33 million hectares are arable land. A third of the world's chernozem stock is concentrated in Ukraine. At the same time, the productivity of crop production is low compared to other countries, 90 % of agricultural land is controlled by 15 % of agricultural enterprises, the number of varieties and agricultural crops is decreasing, mineral fertilizers are used in excess, the soil is contaminated with radionuclides, heavy metals, pesticides, pathogens of infectious diseases, etc. Damages from the main types of soil degradation of Ukrainian lands are estimated at 40–50 billion UAH. In addition, the moratorium on the sale of agricultural land plots has long been an obstacle to attracting investment in the agricultural sector. All this determines the relevance of the study of ecological and socio-economic problems of the land market in Ukraine, which has only just begun its operation.

Analysis of latest research and publications

Many domestic scientists were involved in the study of ecological and socio-economic problems of the land market: O. O. Alekseev, V. L. Vakulenko, T. V. Voronko-Nevidnycha, O. M. Garnaga, I. M. Honak, S. L. Goshtinar, Grinenko A. Yu., Zygrii O. V., Karpenko A. M., Kasych A. O., Kirdan O. P., Kogan N. Yu., Kolesnyk T. V., Myronov V. V., Mytsenko I. M., Nagirnyak T. B., Ozhelevska T. S., Palyanychko N. I., Poprozman N. V., of works, issues related to the formation of a fair market price for land, ensuring land protection and prospects for the development of the land market in Ukraine remain insufficiently researched.

Objectives of the article

The purpose of the work is to determine the main socio-economic and environmental problems and prospects for the development of the land market in Ukraine. Objectives of the study:

- summarize the main problems of the land market in Ukraine;
- determine prospects for the development of the land market in Ukraine.

The main material of the research

On March 31, 2020, the Law of Ukraine “On Amendments to Certain Legislative Acts of Ukraine

Regarding the Transfer of Agricultural Land” was adopted, which provides for the possibility for citizens of Ukraine to acquire ownership of agricultural land up to 100 hectares from July 1, 2021. From January 1, 2024, legal entities whose owners are Ukrainians will be able to do so. They will be able to buy up to 10,000 hectares of land. The sale of state and communal lands is prohibited. The question of whether to give foreigners the right to buy land will be decided in a referendum [1]. Currently, the opening of the land market for purchase and sale on July 1, 2021 is a historical event, since in general Ukrainian peasants practically never had the right to private ownership of land in the classical interpretation of this phenomenon, except for short intervals during the existence of the Sabluk P. T., Salnikova T. V., Sirko A. V., Spizhova M. O., Stashenko V. Yu., Sukhorukov I. Ya., Tretyak A. M., Shvets Yu. O. etc. But, despite a significant number world market, which allows domestic agricultural producers to occupy leading Cossack state and the Stolypin reform. For Ukraine, land resources are strategically important, as their quantity and quality are one of the competitive advantages in the positions in many agricultural crops. Table 1 shows the dynamics of agricultural land in Ukraine [2].

According to the Table 1, we can conclude that the dynamics and structure of agricultural land did not change significantly during the analyzed period. The largest specific weight is occupied by arable land with an average of 78.3 % for the analyzed period and pastures with an average of 13.1 %. The smallest specific weight is occupied by fallows – an average of 0.7 %.

From now on, land owners have the main form of exercising the right to land, namely, the acquisition of private ownership of land as a result of purchase and sale, along with such forms as the right to permanent use of a plot of land, the right to lease a plot of land, sublease land, emphytheusis, the right of land easement, superficies, concessions, etc. Currently, agricultural enterprises of Ukraine conduct business mainly on leased land, the share of which in their total land use exceeds 92 %.

Regarding the realization of the right to own land since the beginning of the operation of the land market, in the period from July 1, 2021 to October 9, 2021 inclusive, 28,288 land plots with a total area of 70.57 thousand hectares were alienated in Ukraine. The average cost of one hectare of alienated land is 43,879 hryvnias. 8,996 land plots with a total area of 32.07 thousand hectares were alienated under sales contracts for commercial agricultural production. According to analytical data, during the period of operation of the open land market

Table 1 – Dynamics and structure of agricultural land in Ukraine

Land type	2005		2010		2015		2019	
	ha	%	ha	%	ha	%	ha	%
Agricultural land, thousand ha	41 722.2	100.0	41 576	100.0	41 726.4	100.0	41 310.9	100.0
arable	32 451.9	77.8	32 476.5	78.1	32 531.1	78.0	32 757.3	79.3
fallow	419.3	1.0	310.2	0.7	239.4	0.6	166.7	0.4
perennial plantations	900.5	2.2	896.5	2.2	892.9	2.1	852.7	2.1
haymakers	2429.2	5.8	2409.8	5.8	2407.3	5.8	2283.9	5.5
pastures	5530.1	13.3	5489.7	13.2	5441	13.0	5250.3	12.7

Source: [2]

in Ukraine, the most alienated were land plots intended for commercial agricultural production and for personal peasant farming, the total number of plots is 22.031, the area is 59.74 thousand hectares [3].

As for the ecological problems of the land market in Ukraine, it should be noted, first of all, that the modern use of Ukraine’s land resources does not meet the requirements of rational nature management (Fig. 1).



Fig. 1 – Types and targeted distribution of soil degradation in Ukraine

Source: [5]

The ecologically acceptable ratio of arable land, natural fodder lands, and forest plantations has been violated, which negatively affects the sustainability of agricultural landscapes. The plowed land in Ukraine has reached 81 %, i. e. 57 % of the entire territory. Agricultural development of land exceeds ecologically justified norms (for comparison: plowed territory of the USA is 15.8 %, and agricultural land is 35.9 %; plowed territories of most European countries are from 28 to 32 %, where the share of arable land is from 40 to 58 %) [4]. Irrational use of land resources leads to the fact that Ukrainian chernozems, in particular, lose their properties, are simply weathered and washed away by water, and this, accordingly, leads to the deterioration of the quality of land resources of Ukraine.

Economists estimate that our state’s annual losses from the irrational use of natural resources and total environmental pollution reach 15–20 % of its national income. Society is forced to compensate for the consequences of inefficient land use with increasing additional costs of material, technical and labor resources [4].

Currently, the project of the National Program for the use and protection of land until 2032 has been developed. The program consists of the following elements:

1. Development of land management schemes and technical and economic justifications, use and protection of lands of administrative-territorial units.
2. Monitoring of land and soil quality with the creation of a geo-information platform.
3. Prevention of unjustified removal of agricultural lands for non-agricultural purposes.
4. Protection of lands from harmful anthropogenic influence, reproduction and increase of soil fertility, increase of productivity of forest fund lands, observance of a special regime of use of protected lands [5].

One of the economic problems of the land market at the moment is the low cost of land plots. Before the actual opening of the land market in Ukraine, various forecasts were made regarding the market value of land. Thus, the Independent Macroeconomic Forecasting Organization predicted such an expected value of the land price (Fig. 2).

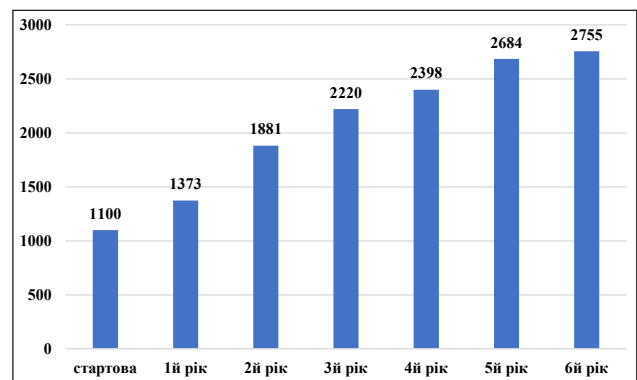


Fig. 2 – Forecast dynamics of the market value of land after the lifting of the moratorium according to the data of the Independent Macroeconomic Forecasting Organization, US dollars

Source: [6]

Research by scientists of the Institute of Agrarian Economics of the National Research Institute of Agricultural Economics shows that only 10 % of the 3.000 interviewed owners are ready to sell land shares at a price of 6 to 12 thousand dollars, but to buy – from 1 to 2.5 thousand dollars [7].

Researcher Korobska A. O. in his dissertation study builds a scenario forecast regarding the market value of land (Fig. 3).

The actual price of the land during the first 100 days of operation averages about 1.500 USD. One of the main reasons is the low solvency of the population of Ukraine. For comparison, the price of land in European countries

ranges from 4.000 euros per hectare in Finland to 10.000 to 12.000 euros per hectare in France and Germany, and 25.000 euros in the Netherlands.

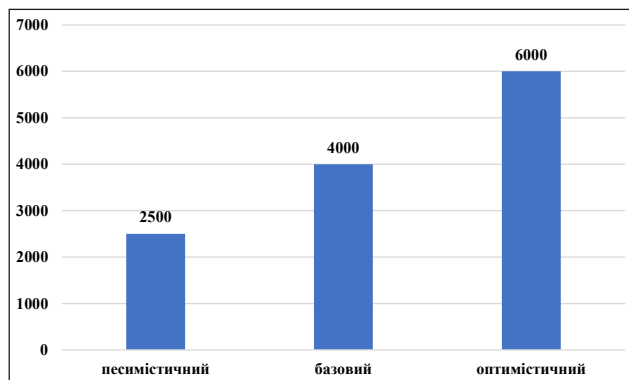


Fig. 3 – Scenario forecast of the value of agricultural land in Ukraine for 2022

Source: [8]

The experience of developed countries indicates that the introduction of free market circulation of agricultural land must be preceded by the creation of the necessary favorable conditions, especially in matters of weighted taxation of land purchase and sale transactions, effective market mechanisms of state support for agrarian entrepreneurship, mortgage lending, the formation of market infrastructure, the prevention of monopolies manifestations, significant limitation of the shadow economy in the agricultural sector, insurance of agricultural risks, etc.

Among the models of the functioning of the land market of foreign countries, we can highlight the main tools of state management in the field of land resource use, which create conditions for effective market circulation of land and their rational use in Ukraine, in particular:

- provide the owner of the adjacent land with a priority right to purchase a plot of land for its improvement and rational use;
- granting preference for the sale of land plots to persons who have specialized education and will use agricultural land for its intended purpose and in accordance with the requirements of sustainable land use;
- creation of a specialized institute that will monitor the intended use of realized agricultural lands and will have the authority to seize them in case of detected violations;
- implementation of mechanisms to prevent excessive concentration of land in one owner;

- preventing the sale and purchase of land plots for speculative purposes;
- control over the use of fertilizers and chemical means of plant protection, in order to prevent their pollution of the natural environment and negative impact on animals and human health;
- the provision of administrative responsibility, the application of fines to landowners who are irresponsible towards land protection, which leads to a decrease in the quality properties of soils and their fertility.

In Ukraine, it is necessary to create the appropriate infrastructural support for effective land use, in particular from the land bank, credit unions, an extensive network of advisory and monitoring organizations for the forecast of productivity, pollution of land plots, etc.

According to forecasts for 5–10 years, only direct investments in land acquisition can amount to 25–50 billion dollars USA. Approximately the same amounts can be provided in the form of financing secured by land. Up to 85 % of this funding can go to the development of small and medium-sized enterprises in the countryside. With such investment volumes and the appropriate correction of tax issues, the tax on agricultural land can annually bring to the budget 50–60 billion UAH for this period, the tax on transactions with land 5–10 billion UAH, taxes from the economic activity of related businesses and the general growth of the economic activity of the rural population – another 10–20 billion hryvnias [9].

Another effect is the creation of new jobs. An increase in direct investment has a direct effect on an increase in the number of employees. There is no standard dependence for all industries, but in the case of the opening of the land market, the following formula will work: \$1 million of additional direct investment brings about 20–30 additional jobs. Therefore, the cumulative effect in the agricultural sector in 10 years can amount to approximately 1–1.5 million jobs [9].

Conclusions

In order to ensure the desired long-term consequences of land reform and to mitigate significant risks in the event of the opening of the land market, it is necessary to apply a package of quick and ambitious measures to complete the development and implementation of the necessary regulatory and legal framework, to move institutional reform in the field management of land resources, as well as to create additional organizational infrastructure.

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DEVELOPMENT OF INDIA AS A GLOBALIZED DIGITAL STATE AND WORLD LEADER OF DIGITALIZATION

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Key words:

India, globalized digital power,
world leader of digitalization,
digital advanced technologies

Relevance of the research is that the national priorities of modern development are conditioned by trends in the development of a competitive global world economy. Among the directions of the state development the priority place is given to digitalization by expanding the possibilities of its development. The state makes a targeted organizational impact on all lines of digitalization through the implementation of state programs. It is relevant to analyze the digital economy of India taking into account global challenges, new economic reality, development of the theory of digital economy and management. The aim of the research is to develop theoretical and practical aspects of India's development as a globalized digital power and a world leader of digitalization. The implementation of the stated objective requires the following tasks: 1) to investigate the current state of India, which has given a great impact for the development of IT technologies; 2) to present the Indian society as a society of high context; 3) to disclose the main tendencies of digitalization in the context of the "Digital India" program implementation; 4) to summarize the tendencies of digitalization achievement in India on the way of technological progress; 5) to clarify the development of digital technologies in the sphere of business. The subject of the research is India as a globalized digital state and the world leader of digitalization. Subject of the research are the programs of state support for digitalization in the context of the "Digital India" program. Used methodology: theoretical and methodological basis of the research are fundamental and analytical bases of digital economy research, which were analyzed by the comparative analysis method of digitalization support in the context of the "Digital India" program implementation. Synergetic method (approach) allowed investigating nonlinear and bifurcation processes of their occurrence, self-organization and transformation of cognitive capitalism as a complex social phenomenon and non-linear process that dynamically develops in a non-linear world and leads to a new type of society. Many of these problems are on the edge of philosophy and economics, which is a strategic direction of the development of both philosophical and economic science, is particularly relevant and of practical importance. Therefore, in the conditions of the development of global tendencies of humanity, in particular globalization, scientific research aimed at analyzing new problems of technological progress is of great practical importance, directed to the further improvement of digital society, digital culture, and digital technology.

РОЗВИТОК ІНДІЇ ЯК ГЛОБАЛІЗОВАНОЇ ЦИФРОВОЇ ДЕРЖАВИ ТА СВІТОВОГО ЛІДЕРА ЦИФРОВІЗАЦІЇ

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Ключові слова:

Індія, глобалізована цифрова держава, світовий лідер цифровізації, цифрові передові технології

Актуальність дослідження полягає в тому, що національні пріоритети сучасного розвитку обумовлені тенденціями розвитку конкурентної глобальної світової економіки. Серед напрямів розвитку держави пріоритетне місце відводиться цифровізації шляхом розширення можливостей її розвитку. Держава здійснює цілеспрямований організаційний вплив на всі напрями цифровізації шляхом реалізації державних програм. Актуальним є аналіз цифрової економіки Індії з урахуванням глобальних викликів, нової економічної реальності, розвитку теорії цифрової економіки та управління.

Метою дослідження є розробка теоретичних і практичних аспектів розвитку Індії як глобалізованої цифрової держави та світового лідера цифровізації. Реалізація поставленої мети вимагає вирішення наступних завдань: 1) дослідити сучасний стан Індії, який справив великий вплив на розвиток ІТ-технологій; 2) представити індійське суспільство як суспільство високого контексту; 3) розкрити основні тенденції цифровізації в контексті реалізації програми “Цифрова Індія”; 4) узагальнити тенденції досягнення цифровізації в Індії на шляху технологічного прогресу; 5) з’ясувати розвиток цифрових технологій у сфері бізнесу. Об’єктом дослідження є Індія як глобалізована цифрова держава та світовий лідер цифровізації. Предметом дослідження є програми державної підтримки цифровізації в контексті програми “Цифрова Індія”. Методи дослідження: теоретико-методологічною основою дослідження є фундаментальні та аналітичні засади дослідження цифрової економіки, які були проаналізовані за допомогою методу порівняльного аналізу підтримки цифровізації в контексті реалізації програми “Цифрова Індія”. Синергетичний метод (підхід) дозволив дослідити нелінійні та біфуркаційні процеси їх виникнення, самоорганізації та трансформації когнітивного капіталізму як складного суспільного явища та нелінійного процесу, що динамічно розвивається в нелінійному світі та веде до нового типу суспільства. Багато з цих проблем знаходяться на межі філософії та економіки, що є стратегічним напрямом розвитку як філософської, так і економічної науки, набуває особливої актуальності та практичної значущості. Тому в умовах розвитку глобальних тенденцій розвитку людства, зокрема глобалізації, наукові дослідження, спрямовані на аналіз нових проблем технологічного прогресу, мають велике практичне значення, спрямовані на подальше вдосконалення цифрового суспільства, цифрової культури та цифрових технологій.

The aim of the research is to provide theoretical and practical aspects of development of India as a globalized digital power and world leader of digitization. The implementation of the set goal requires the following tasks: 1) to investigate the current state of India, which has given a great posthaste for the development of IT technologies; 2) to present the Indian society as a society of high context; 3) disclose the main directions of digitization in the context of the “Digital India” program implementation; 4) summarize the directions of digitalization of India on the way of technological progress; 5) understand the development of digital technologies in the field of business.

The subject of the research is India as a globalized digital state and a world leader in digitalization. The subjects of the research are the programs of state support for digitalization in the implementation of the program “Digital India”.

Researching methods: article reports that the development of India as a globalized digital state and a world leader in digitalization is based on the evolution of digital technology, which brings changes and contributes to the development of successful enterprises and businesses. Innovations have already come to the world of India and will change the world with unprecedented speed concerning all sectors of production and spheres. In the future they will contribute to the development of smart-society and smart-technology in the context of current global digital civilization. The research involved functional and structural, comparative, and synergetic methods. Functional and structural method enabled to identify functional, institutional and socio and cultural aspects of India’s development as a globalized digital power and a world leader of digitalization. The method of

comparative analysis allowed us to compare the features of state support programs for digitalization in the context of the “Digital India” program implementation on the basis of foreign experience. Synergetic method (approach) allowed investigating nonlinear and bifurcation processes of their occurrence, self-organization and transformation of cognitive capitalism as a complex social phenomenon and non-linear process that develops dynamically in a non-linear world and leads to a new type of society.

Formulation of the problem

Article reports that the development of India as a globalized digital state and a world leader in digitalization is based on the evolution of digital technology, which brings changes and contributes to the development of successful enterprises and businesses. Innovations have already come to the world of India and will change the world with unprecedented speed concerning all sectors of production and spheres. In the future they will contribute to the development of smart-society and smart-technology in the context of current global digital civilization.

Analysis of recent research and publications

Theoretical background for this research was provided by works of researchers in the field of digital economic development, namely Patrick Dixon – business consultant, futurologist, a specialist on companies development under conditions of globalization and pandemics. He was recognized as one of twenty influential contemporary thinkers, working with over 400 of the world’s most renowned companies: Google, Microsoft, IBM, Hewlett, Packard, Forbes, Fortune, FedEx. Dixon Patric in his work “The (Majestic) Future of Everything. How the

World Will Change in the Next Hundred Years” analyzes trends and makes far-reaching predictions about where the world’s developed countries are headed. In just a few decades, people will be affected by a new social order, a rearrangement of forces on the world stage, a change in corporate culture and everyday habits. Thanks to this work we can see the pattern of changes in different spheres of life and understand in which direction we need to evolve to achieve success in the future. This is the era of Generation M, and we must be prepared for dramatic changes in society and the organization of international relations. Ruchir Sharma is one of the world’s greatest investors, head of New Economies at Morgan Stanley, editor of Newsweek, a regular contributor to the Wall Street Journal and the Economic Times in “Leading the Way. In his vision of a new “economic miracle” he identified India as the world’s leading digital power. The World Economic Forum named him one of the top young leaders of the world, and the magazine Bloomberg Markets included him in the list of 50 most influential people. He is one of the world’s leading thinkers according to Foreign Policy magazine. He noted that the distribution of power on the global stage may very well change, and countries like India, China and the United States may become more proactive and grow faster, their economies may be called a success story, and they expect a real economic success. Ruchir Sharma analyzes in detail the fundamental features of the digital economy of India, its new history and culture, evaluating the possibilities of becoming a new leader. On the basis of the author’s own experience the author investigates individual features of the development of India, which determine our present and future. The work “Frontline Countries. In the Wake of a New “Economic miracle” opens the door to the future of the globalized world of India as an advanced digital power. Oltrade Dagogo is the founder of ColdFusion, a YouTube channel with nearly 3 million followers. Oltrade Dagogo has reported on the history and principles of the movement of breakthrough technologies since 2007. The work of Altrade Dago, “New Thinking. From Einstein to the Intelligence Unit: Science and Technology that Changed the World” explains how the modern world has changed under the influence of digital technology – batteries, photographic and mobile devices to the first video games, the rise of Microsoft, Apple and the increasing role of social media. Oltrade Dago is a futurist with an unconventional manner and style who captures an informative and fascinating vision of our technological past, the present and the future. The paper includes the works of V. Voronkova, V. Nikitenko, L. Bukharina, I. Onishchenko, R. Oleksenko, O. Puchenko, T. Teslenko, A. Cherep and O. Cherep, which presents the development of information (digital) economy as a factor of competitiveness in the conditions of adaptation to change as well as V. Marienko’s own research.

Presentation of the main material

Today India is a world leader, a globalized digital nation, the third largest economy in the world, and the largest democracy on the planet. India has a key advantage in international trade and services. Over the next ten years,

the economy of India will grow by 5–7 % on average. However, just as China is becoming too expensive for outsourcing production for many transnational companies, so India is becoming too expensive for outsourcing services. Wages in some sectors grow 3–5 times faster than in Europe or America. As in China, the long-term future of India depends on the growth of its domestic markets. Only one state in India, Andhra Pradesh, is larger than most states. More than 200 million people live there, 75 million of who speak Telugu. The minister of health controls at least 114 medical and pharmaceutical colleges, the minister of education controls 15 universities, 131 engineering colleges and 600 industrial educational institutions.

1. The current state of India, which has given a great opportunity to develop IT technologies

The relevance of the study is that the national priorities of modern development are determined by the trends in the progress of a competitive world global economy. Among the directions of its development, digitalization with the expansion of its development opportunities is a priority. The state is exerting a targeted organizational influence on all lines of digitalization through the implementation of state programs. Half of the population, which includes 1.2 billion people under 26 years old. And over the next 30 years, this single fact will contribute to economic growth more than any other. 66 % of the national wealth is generated by 646.000 cities and towns in India, a number that is growing rapidly with the arrival of 300 million more people from rural areas over 25 years. The growing population is also the reason why per capita income remains significantly lower than in China, despite the economic growth in the country: more wealth, but also more people to feed. The central government of India will continue to have less state power than the Chinese, and there will be fewer large-scale national programs in the field of energy, infrastructure, industrial parks, etc. With this in mind, India has already taken some bold decisions to dismantle the economy and use biometrics.

In one fell swoop, 80 % of all banknotes were withdrawn, causing chaos and forcing people to make mass online payments. Another milestone was the fact that 850 million people’s biometric data were registered with the government’s data management system for secure payments and access to the full range of financial services, even for those who can’t read or write. No other country, except China, could have made such a profound digital revolution in such a short time. This gave a great impetus to the development of IT sector in India. Most importantly, India is a country of industrious and educated ambitious businessmen; it is very well connected to the world due to the hundreds of millions of people in the industry, who often play a very important role. Despite the external signs of employment chaos, India remains one of the best places in the world where business leaders can work quickly. This is a country which in less than 12 months from the signing of the contract is able to create from an empty concrete box without any equipment a full working center with a trained staff and a central video link to Europe – says Dixon Patrik in his work “How the World Will Change in the Next Hundred Years” [p. 222–226].

India will continue to be an extremely tribal and religious society with great internal pressure, especially by the Hindu, Muslim and much smaller Christian communities. Obviously, the ethnic violence and lynching in certain areas is frequent, but caste discrimination has been illegal since the proclamation of India’s independence. But even today there are still many social, labor and religious obstacles, because caste-based discrimination has been at the core of the Hindu tradition for over three thousand years. Corruption will continue to drive India’s development in spite of the people’s anger and calls for reform. This phenomenon is institutional and exists at every level: according to some estimates, politicians and bureaucrats can earn over three billion dollars a year.

The national prestige and military power of India will grow rapidly. The Indian influence and culture will also be reinforced by the 200 million or so Indian managers, executives, medical staff, teachers, educators, lecturers, lawyers and accountants who work around the world. There is no representative of India at the table of the UN Security Council, at the G7 leaders’ summits, but the situation will change by 2030 in the framework of the restructuring of the UN and other bodies, which must meet the realities.

Today, India shows remarkable economic results, probably the most important among the new economies of the last decade. Fully reasonably, India has begun to be perceived as a typical pattern of a developing country, an archetype in which one can find the best and the worst focus of the most dynamic young economies. The prices of the Indian stock market fluctuate synchronously with the average indicators of the markets of young economies, than the prices in the markets of most countries of the world, because the Indian market is deeper and more varied than any other. Its list includes five thousand companies, over a thousand of them with foreign investments, and more than 200 of them have a market capitalization of over a billion dollars. Only China has such a large stock market, but it is largely closed to foreigners, and is not considered a mirror image of global trends.

India is so large and diverse that it can be imagined as you want – a melting pot of all the disadvantages and prospects of new economies, which combines the

middle-agedness of Bikhara with ultramodern buildings of “Infosys” company in Bangalore. The state of Uttar Pradesh, where 166 million people are located, by itself could be the 100th country in the world, and 80 million people in West Bengal is the same as in Germany. India is a country where young people can still choose between world-class technological tools and Maoist underground. The elite are well versed in English so that India is accessible to the outside world. Western analysts predict a high rate of economic growth at the moment when India will regain its former power: three centuries ago this country accounted for 25 % of world production, in many ways India is similar to China of the 1990s, when it knocked Thailand out of the world’s top economic growth rate.

If China grows old before it gets rich, then India will be able to reach a young and moderate income level. India will be able to give all young people jobs through good education, entrepreneurship and close ties with the world economy. However, in India there are already some unfortunate trends of unfortunate growth, in particular, an up-to-date self-reliance. Leading Indian politicians are firmly convinced that the Indian economy will continue to grow at a rate of 8–9 %, which for a long time after the Second World War was seen only by a few countries of North Asia. Some analysts predict continued growth in India in the current decade at close to 50 % – through a whole range of risks. In particular, there is the talk of an overbearing state apparatus, oligarchic capitalism, the low change of elites and the reluctance of villagers to move to the city, which is a especially worrying trend.

China is not the only possible model for the development of India. Culturally and politically, India has much more in common with the disorder and lack of identity of the current Brazil, than with the Chinese command and control model. China demonstrated its ability to implement important reforms every 4–5 years for several decades, while Brazil’s reform process was halted in the 1970s, when the country fell off the list of promising economies, joining the list of countries with high hyperinflation.

“In this new knowledge-based economy education has a continuously increasing role in knowledge transfer – with use of the different types of Information

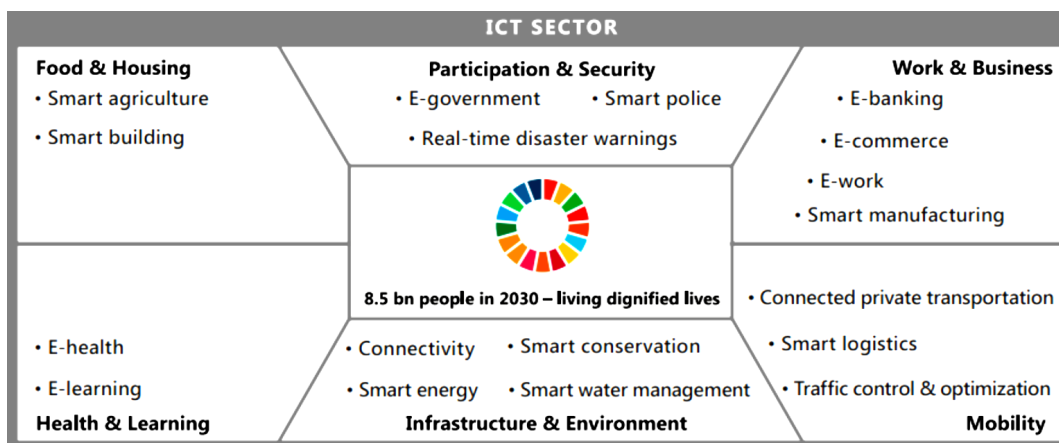


Fig. 1 – Overview of digital solutions across all areas of life contributing to SDGs

Source: adapted from Global e-Sustainability Initiative (2017), cit. Hegyes and all (2017, p. 38)

and Communications Technologies (ICT) knowledge can be more easily identified, captured, organised, created, learnt and disseminated. Digital solutions play an important role also in sustainable development. As the UN General Assembly highlighted in 2015, Information and Communications Technology have a cross-cutting contribution to the reformulated Sustainable Development Goals (SDGs) and can accelerate progress across SDGs (Fig. 1) (Global e-Sustainability Initiative 2017).

2. Indian society as a high context society

Both Indian and Brazilian societies belong to high-context cultures, that is, cultures in which people are distinguished by their soulfulness, generosity. Such people can be relied on, are family oriented, have strong family ties that last for generations, as values are deeply shared. High-context societies deeply believe in tradition and history and give priority to their own – both parents and business partners – but they are also susceptible to corruption. But there is another indo-Brazilian risk – the desire for state protection against life risks”, says Ruchir Sharma in his work “Frontline Countries. In the expectations of a new “economic miracle” [p. 44].

Social protection is seen here as a concern for a group of “one’s own” that extends to society as a whole – not even in China or Chile, which belong to high-context cultures. The Brazilian carnival and Indian wedding are invited here as the dearest guest. You can even feel at home here, but the fact is that it takes decades to truly enter these cultures. Undoubtedly, India is a country full of contradictions, trying to avoid any open confrontation with unambiguous facts, or with the side of India that could harm it. Undoubtedly, Brazil and India are not the only cultures of high content. Interactions are very characteristic of Asia and Latin America, while low-content cultures predominate in Germanic, British-American and Scandinavian societies. However, we can see a special closeness between Brazil and India, which has a lot of advantages compared with low content cultures. The political elites of India and Brazil have a strong support for the idea of the welfare state, and the populations of both countries demand a high level of welfare, despite the fact that the economies have not yet reached a high level of capacity to ensure the welfare state. In the early 1990s, India was in crisis and Finance Minister Singh introduced India to world trade.

In 1990, the Indian economy grew by about 5.5 % per year, much faster than in the 1980s, but the reform prepared the economy for the global boom which began in 2003. The growth rate of the Indian economy jumped up to nearly 9 % per year in 2003–2007, accelerating the growth of the economy in terms of new and current ones. Clan-based capitalism in Singh’s time grew to an alarming scale, and corruption was rampant, becoming serious for the middle class. In the world media, the faces of India are dynamic technological entrepreneurs, whose images often adorn the covers of international magazines. But in this case the internal, highly contextual side of India is overlooked. Wealthy entrepreneurs have recently been replaced by a new group of provincial magnates who made their fortunes working with local authorities to monopolize certain local industries, such as mining or real estate, to

monopolize the economic pie in their own interests. In addition, India has no taxes on wealth and inheritance, and the number of rich billionaires is growing. In terms of the share of billionaires’ wealth in the country’s GDP, India is second only to Russia and Malaysia, – said Ruchir Sharma [p. 50]. Today, India is globalizing and many companies have expanded their operations abroad, expanding the scope of their activities.

3. The main directions of digitalization in the implementation of the “Digital India” program

The development of digital management in the country began in the mid-1990s with more widespread use of digital technology, particularly focused on the people. Later on, digital management technologies began to be implemented in many regions of India. In 2006, the Indian government launched a plan to create a “National Digital Governance”, which included 31 tasks covering various sectors. Despite the successful implementation of many of these projects, the entire program still did not achieve the desired results and did not fulfill their tasks. Obviously, more should be used to support e-government programs throughout India, including the development of digital services, products, devices and more jobs in this area. Moreover, special attention should be paid to the development of digital production in the country. In order to transfer the entire industry to the use of digital technology, the government of India has launched the program “Digital India”, aimed at the development of digital industry and the creation of a knowledge economy.

The principles and methodology of the program

1. Ministries/departments and other government agencies will have full control over the infrastructure of information and communication technology established by the Indian government, develop and establish standards and principles of leadership, provide technical support, build capacity in this area, conduct research and development work.

2. The existing digital management initiatives must be updated to confirm the Digital India principles. Increasing the volume, processing, use of integrated and combined systems, as well as development of new technologies, such as cloud stores, which will be used to improve the quality of public services to citizens.

3. Regions will be given the opportunity to introduce projects specific to each region, depending on their social and economic needs.

4. Digital control will be advertised through the central mass media to inform people about the new services.

5. Well-proven projects will be reviewed and, if necessary, improved.

6. The support of private enterprises in the implementation of digital management projects is appreciated.

7. Creation and implementation of unique identification codes to facilitate identification, authentication and billing of services.

8. Restructuring of the “National Information Center” will be aimed at improving the quality of information support for citizens at the state and regional levels.

9. At least 10 Ministries will create the position of IT-director for a more rapid introduction of the design, development and implementation of various projects of electronic management, who will be in charge of the issues related to information technologies in the relevant ministries.

The management structure of the Digital India program has been approved by the State Council, which is designed for effective management and includes representatives from the State Committee, chaired by the Prime Minister, the Advisory Group of the Digital India Program, headed by the Minister of Communications and Information Technology, and the Apex Committee, headed by the Secretary of the Cabinet of Ministers. The structure has the necessary technical/secretarial/management support and the necessary decentralization of power and responsibility to ensure effective implementation of various projects by the executive departments.

The key components of the management structure are as follows:

1. Legal Committee on Economic Issues for the adoption of political decisions at the level of the program.

2. The Management Committee, headed by the Prime Minister, will work with the ministers of various ministries to provide leadership, forecasting of results and periodic monitoring of the implementation of the “Digital India” program.

3. The advisory group of the “Digital India” program, which includes the Minister of Communications and Information Technology, to advise the government on policy and adoption of strategic actions necessary to accelerate the implementation of the “Digital India” project by all governing bodies.

4. The Apex Committee under the leadership of the Cabinet of Ministers Secretary will control program implementation, provide political support and indicate the strategic directions of program implementation, as well as resolve interdepartmental issues.

5. Unplanned Costs Committee to assess the financial capabilities of project implementation. The committee is chaired by the secretary for costs, which is issued by the State Committee on Economic Affairs. A representative of the planning committee will also be included in this committee.

6. The Digital India objectives leaders’ council under the leadership of the Secretary, the Ministries of Digital and Information Technology will be created as a platform for sharing experience in various e-government initiatives, as well as for informing various governmental agencies about projects in the field of information technology.

7. In the future, taking into account the scale of the program and the need to solve certain issues, such as the overall technology architecture, framework, standards, security policy, funding strategy, mechanics of service provision, distribution of infrastructure, etc. The Ministry of Digital and Information Technology is expected to carry out the technical evaluation of the projects included in the “Digital India” program first, and then the Committee on Unplanned Costs;

The work of the program at the regional level will be supervised by the State Commission for the Digital India

Program, headed by the Chief Minister. Apex committees, led by head secretaries, will also be organized at the regional level to allocate the necessary resources, prioritize the implementation of projects and resolve interagency issues at the regional level.

For effective management of the program the Project Information Management System will be used. This project will evaluate the implementation of the program in real time, controlling the parameters of the implementation of each phase of the program “Digital India”. Since the “National E-Government Plan 2.0” is included in the “Digital India” program; the current management structure of the “National E-Government Plan” program both at the national and regional levels will be included in the corresponding “Digital India” management program. The project “Digital India” includes: wideband access to every home, the rapid spread of mobile technology, public services, and young labor force, the economy of additives, social media, training and education, digital entertainment.

4. The tendencies of digitalization of India on the way of technological progress improvement

Digital economy and digital identity of the individual help to make their activities more transparent and open up new possibilities in areas such as: public infrastructure; “smart” cities; electronic government and public services; national broadband; digitalization of cable networks; Mobile technologies (4G/LTE); expansion of Level 3 operators in cities and villages; public safety and Internet security; and the launch of Wi-Fi networks in schools. The “Digital India” legal program provides for the provision of infrastructure as communal services, which will significantly expand the digital capabilities of the country’s inhabitants. According to the assessment of experts, up to 2020 more than 140 million Indians, who today do not use banks, will gain access to mobile financial services, and 75 million children will be able to participate in online education.

The legal program for the launch of the national network is gaining momentum, and in Cisco India believes that the presence of the appropriate services and add-ons can transform the provision of services as a real security at the state level. When “Digital India” becomes a reality, the country will have a billion consumers, which will stimulate unprecedented technological, social and economic changes. The new digital infrastructure will enable the population to connect to the digital world, create a society with minimal digital barriers and give a strong impetus to the development of entrepreneurship, innovation and creative creativity. The spread of information and communication technology in India not only affects education and business, but also clears the way for an open, electronic government. In other words, technology and communication will help the government to become more transparent and controlled. The plan developed in India for the creation of an electronic government requires that all government services be provided electronically to citizens. One of the paradoxes of today’s India is that the country is trying to achieve a technological breakthrough and a simultaneous return to the traditional foundations of the Indian civilization. Meanwhile, India is eager for

innovative development, and there is a whole range of evidence that it is moving towards its ambitious goal – to become a new powerful player in the field of technology and sees in this a chance to solve numerous problems. One of the manifestations of India's historical achievements in the field of technological progress is the success in the field of digitalization. The research "Digitalization of India" is notable for the characteristics of the Indian profile of digital development as well as the potential impact of the digital transformation of India on global processes in this area: from a local phenomenon to a factor of global influence", prepared jointly with the Indian School of Business (Hyderabad).

A number of features distinguish the process of digitalization in India from the digital transformation in other countries, so it deserves special attention. One of these characteristics is the function of the state, which by its actions has laid the foundation for digital transformation of the country, in a short time creates important digital platforms and keeps them available for the people and business as a public benefit. A lot has already been written about the system of biometric identification of citizens, which is used by over 99 % of the population of India today. This system, which has received the name "Adhar" (in translation from Hindi – the basis, foundation) allows to confirm the identity of the person by a unique code. It is a unique code to which biometric and other personal information of a citizen is attached, turned out to be simple and efficient in creation and operation, irreplaceable for state digital services and required for business. Today, to access any public service in India requires an Adhar number. Through this system, the government has significantly increased the availability, transparency, and accuracy of social payments, including the payment of pensions and scholarships. In particular, thanks to this system, the state was able to show quick financial assistance to internal migrant workers, one of the most unprotected categories of people in the country, who lost their jobs due to the introduction of a severe quarantine. The Adhar system is also used in India to organize vaccinations.

In addition to digital biometric identification, the Indian government has created other national digital platforms that serve hundreds of millions of enquiries from both government agencies and private companies every day. The most important of them are: the system of fast payments (UPI), launched in India in 2016, the system of electronic identification of clients (e-KYC: electronic document storage system (DigiLocker); the system of electronic signatures (eSign). All of these digital mechanisms work on the principle of API (Software Interface – a software interface for add-ons), which allows businesses to efficiently implement their elements into their work. In the near future, the Indian government plans to significantly expand the functional capabilities of such platforms, extending their action in the most important new areas such as health, education and agriculture. Tremendous progress has also been achieved in the work of the electronic government, which operates a platform of electronic government procurement, a general database of government documents and data, a one-window system for

access to more than 300 government services, functioning not only in the web version, but also as a mobile add-on.

Such progress would not have been possible if people in India had not received good access to the Internet in a short period of time. The state program Digital India, launched in 2015, attaches great importance to the development of broadband access throughout the country, as well as increasing digital literacy of the population, training of IT specialists, development of the electronic government and many other areas. It is one of the most important flagship programs of the Indian government, overseen personally by the prime minister. However, the general and rapid changes could not be carried out solely by the government's forces. They became a reality when in India there was a major revolution in the field of telecommunications business, created by the mobile Internet, available practically to all Indians. A close partnership between the Indian government and private capital, although subject to criticism from foreign competitors, allowed the digitalization of the entire country to be implemented in a short time.

A good shot at the introduction of telephone lines, computers and the home Internet in India, immediately receiving the Internet in its distribution in smartphones, led to a great change in many other spheres. One of them is finances. A number of factors, starting with the demonetization of 2016, marked the decisive attack of the government on the shadow economy, led to a significant increase in financial inclusiveness in the Indian society, and then to the rapid development of financial technologies. Thus, a significant part of the country's population missed the stage of expanding credit cards and ATMs, but due to the first bank payment received a mobile phone as a handy tool for financial transactions. Increasing financial inclusiveness, which developed simultaneously along a number of lines, became one of the most successful and important aspects of India's digitalization.

"In terms of business processes one of the issues is to bring several IT systems in line with each other. From our data we see that developing knowledge on digitalization is important to create competitive advantage. It is illustrated in Figure 2 of this study how they add digital information and additional digital services to create more customer value and reduce costs" (Strønen, F., 2020).

"All four industries have a potential on customer satisfaction, improved business processes and business development. What we see as critical success factors for the real estate business is the opportunity of reducing costs by streamlining business processes as more of the work is done by both sellers and prospective buyers. Another critical success factor for the real estate industry is to create digital showrooms for properties. For the retail sector digitalization is not new. Inventory management and business processes are common, but a critical success factor identified is to add the customer perspective and by increasing business development. Using applications will improve reducing the waste problem with old products near expiry date and allow a much more dynamic pricing and communication model. A critical success factor is to couple the whole value chain together, including the customers. For hotels a critical success factor is to handle digital experiences,

-----1-----2-----3-----4-----
1) Pure digital 2) Digital distribution 3) Digital information* 4) Additional digital services*

Fig. 2 – A scale for digitalization – from pure digital to additional digital services
Source: Strønen, F., 2020

increase business development and network externalities. In the automotive industry a challenge is to create better communication and improved customer service.

5. Development of digital technology in the enterprise sector

We can confidently confirm that the rapid expansion of digital technology has influenced the development of business in India. Today, this country is experiencing a business boom, which has an impact not only on the economy of India, but also on many business trends on a global scale. In 2017, there were 10 such companies in India (firms with capitalization of more than 1 billion U. S. dollars). In 2018 there were 18 such companies. In 2020, according to various estimates, there were from 21 to 33 such companies (with four of them appearing in India during the first week of the pandemic), and in the first four months of 2021, their list was expanded by 13 more names. In 2020, India ranked fourth in the world for the number of such companies after the United States, China and the United Kingdom. Today the list of companies that could become unicorns in the near future in India is up to 150 companies, a significant portion of which is directly linked to digital technology. The number of officially registered startups in India approaches 50.000.

Today in India it is particularly prestigious to be an intelligent entrepreneur, innovator, and creative thinker. It is expected that by 2025 in the digital economy will generate 18–23 % of India’s GDP (800 billion – 1 trillion U. S. dollars). If earlier Indian businessmen mainly copied the existing Western business models, today they are developing original solutions, which are dictated by the needs of India and are popular in many other countries. Special attention is paid to companies in the field of educational digital technology, which are expanding their business, leading the pace, and are the world leaders in their field, by the number of customers and prices. They are trying to reach out to large audiences in India and beyond in accessible, high-quality knowledge, which is increasingly difficult to obtain in a private education system.

The digitalization program in India is closely connected with all other initiatives of the government aimed at transforming the Indian economy and modernizing the country in accordance with the demands and needs of the Fourth Industrial Revolution, in which India plans to become an active participant. “Digital India is influencing programs such as Skill India (vocational training and professional development programs); Startup India (enterprise support program); Ayushman Bharat Yojana (government health insurance) and many others. It also gave a new impetus to the Make in India program, which has now been transformed into Make in India, Make for India, Make for the World, Expressing India’s aspiration

not only to increase industrial production on its territory but also to import and export, more active incorporation of the country into international supply chains. The most important today for the Indian government’s program Aatmanirbhar Bharat (“Self-sufficient India”) is a set of stimulating measures for a number of sectors, aimed at increasing self-service in India by practically all categories of consumer goods and industrial products, which has a significant digital component. Already today, India ranks second after China in the production of smartphones and plans to become a leader not only in this segment, but also in the production of electronics in general in the nearest future.

Table 1 – Key drivers for digitalization and success factors

	<i>Physical products:</i> Retail and Automotive industry	<i>Service:</i> Real Estate and hotels
<i>Internal</i>	Standardization and streamlining of inventory/distribution	Standardization of customer handling – offers and invoices
<i>External</i>	Improved customer contact	Service layering and market reach

Source: Strønen, F., 2020, p. 237

“The current study is more detailed on the specific processes and implications of digitalization. There are also few existing studies of drivers for digitalization in industries handling traditional products and services.”

Conclusions

Digitalization of India has a number of foreign political aspects. Thus, over the past few years, not only has Chinese imports become more skewed in the balance of India’s trade with China, but the share of Chinese capital in India’s high-tech digital companies has grown rapidly. However, in 2020, after a severe crisis in the India-China relations, the government took a number of measures to take into account this trend. Today India is entering into competition with China not only for its own market, but also for the markets of other countries, first and foremost the United States, simultaneously offering the world players an alternative to the Chinese production area. The relations between India and the U. S. have achieved the success of the Washington foreign policy strategy, increasingly betting on an all-inclusive cooperation with New Delhi, which will depend on the United States’ readiness for an economic partnership with India on its terms. A profound digital transformation means activities for India, and it is only necessary to adapt domestic legislation in order to play a more prominent role in shaping the international regulation of high technology, including activities in the cyber sector, where the country is already dealing with a large number of threats and challenges.

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PECULIARITIES OF FORMATION AND DEVELOPMENT OF LAND RELATIONS IN UKRAINE DURING THE FEUDAL AGE (9TH – 17TH CENTURIES)

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The article is devoted to the research of peculiarities of the formation and development of land relations on the territory of Ukraine during the feudal period of its history. One of the ownership eligibility forms is the right to use a thing (land). The basis of the production relations in feudal society was the feudal lord's land proprietorship, which in the territory of modern Europe had been seized by the top of the slaveholding society since the period of collapse of this socio-economic system. Introduction of the right to own land in the era of feudalism in the West found its justification in Roman law and was called land ownership. Civil law systems of many countries of the developed world on the background of this right. The states of Western and Central Europe were formed under the influence of the of the Roman state experience.

Land relations and land management among the Eastern Slavs, as well as the land proprietorship, had specific features during the period of formation and development of the early feudal state of Kyivan Rus, which was formed from the 9th to the beginning of the 12th centuries.

ОСОБЛИВОСТІ СТАНОВЛЕННЯ І РОЗВИТКУ ЗЕМЕЛЬНИХ ВІДНОСИН В УКРАЇНІ У ФЕОДАЛЬНУ ДОБУ (ІХ–ХVІІ СТ.)

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Ключові слова:

феодалний спосіб виробництва, земельні відносини, землевпорядкування, право власності на землю, облік (кадастр) земель, закупництво, чинш, рангові маєтності, земельні пожалування, займанщина

Стаття присвячена дослідженню особливостей становлення та розвитку земельних відносин на теренах України у феодальний період її історії. Однією з правомочностей власності є користування річчю (землею). Основою виробничих відносин феодального суспільства була власність феодала на землю, яку на території сучасної Європи захопила верхівка рабовласницького суспільства ще в період розпаду цього соціально-економічного ладу. На Заході започаткування права власності на землю в епоху феодалізму знайшло своє обґрунтування ще у римському праві і мало назву – право власності на землю. На тлі цього права зростали системи цивільного права багатьох держав світу. Держави Західної і Центральної Європи формувалися під впливом досвіду.

У східних же слов'ян земельні відносини та землевпорядкування, як і право власності на землю мали специфічні особливості у період формування та розвитку ранньофеодальної держави Київська Русь, формування якої відбувалося від ІХ до початку ХІ ст.

Introduction

Food cultivation, production and its quantity were and still are a critical need of humanity in the conditions of planet population continuous increasing. After all, that is why land, as means of food production, as well as the right to use it, has become the main form of land relations of various social-economic formations of humanity.

The peculiarity of feudal economy consisted in combination of feudal lord's land proprietorship with

peasant's management of the small plot of land given to him by the feudal lord for agriculture. The period of feudal relations lasted especially long in Eastern Europe for well-known reasons. And the territory of Ukraine, as part of it, was no exception to this process.

Analysis of the latest scientific research

Land relations have always been in sight of those who studied the history and development of mankind, including

the period of feudalism. Domestic researchers of the 19th and early 20th centuries – M. Arkas, M. Hrushevskiy, M. Vladimirskiy-Budanov, V. Sichinskyi, D. Doroshenko, etc., contemporary Russians – M. Karamzin, S. Solovyov, K. Pobedonostsev, V. Klyuchevskiy, considering the emergence and development of land proprietorship law in Ukraine, pointed out their differences in comparison with a similar phenomenon in Western and Central Europe. Modern domestic researchers – V. Goshchytskyi, A. Tretyak, Yu. Lupenko, etc., who deal with such issues, also agree with the opinions of their predecessors.

Objective of the research

To highlight the peculiarities of formation and development of land relations on the territory of Ukraine during the feudal period of its history and on the base of historical experience thereby contribute to the implementation of new land relations in our state in the modern land reform conditions.

Presentation of the main research material

Each social mode of production in historical development, creating its own form of land relations, determines itself the content of land management corresponding to this form. And we shall discuss changes in this land management below.

The beginning of right to own land in Western Europe in the feudal era found its legal justification in Roman law (Spurius Thorius Law) of the 3rd century BC. The land management actions of the Middle Ages already had a state character and were primarily related to the land accounting (cadaster), their division among landowners and fixing the boundaries of land proprietorship. The medieval cadasters in Western Europe included the land records of the king of the Franks Charlemagne (742–814), the English “Book of the Last Judgment” from the time of William the Conqueror (1066–1087) containing detailed summaries of the quantity and quality of land, the Sicilian cadaster of Frederick II (1194–1250), the cadaster of Calabria (1375), etc. [8].

Eastern Slavs settled mainly in small groups in scattered fortified cities, mainly on the banks of large rivers and lakes. Lands located around the settlements were considered common, they were divided between individuals or families by drawing lots. Already in the first centuries AD they had signs of land ownership – tamga, demarcated by borders of fields and meadows. Land relations and land management in the territory of Ukraine during the period of formation and development of Kyivan Rus had specific features. Therefore, the early feudal state – Kyivan Rus – was formed since the 9th to the beginning of the 12th century. In the 9th century this state covered the territories from the Baltic to the Black Sea and from Transcarpathia to the Volga-Oka interfluvium [1].

The rural population in Kyivan Rus was divided into such categories: free members of the village community and feudal dependents. Free members of the community had their own farm and land. They were bound by several obligations. There was a clear idea in society at that time

that the land belonged to the prince, that is there was feudal land proprietorship, although this fact was not officially certified anywhere. Finally, there was legislation – “Ruska pravda”, which systematized legal norms to a certain extent. It divided property into movable and immovable (real estate) categories [5].

Special relations of relay or agricultural zakup arose from the conditions of real estate lease (Article 71 of “Ruska Pravda”). The concept of “zakupnitsvo” was perceived as a special form of social relations, which was regulated by legal norms (Articles 70–73, 75, 77 of “Ruska Pravda”). Professor of Kyiv University M. F. Vladimirskiy-Budanov called these relations “peasant lease” and added that zakupnitsvo was not only a personal obligation (debtor to creditor), but also the result of combining a loan agreement with a personal employment agreement [8].

Article 46 of “Prostrannaya Pravda” (the third edition of “Ruska Pravda”) lists three main categories of feudal lords: prince, boyars, monasteries. Thus, the owners of the land are legally defined in this way. Art. 71, 72, 73, 75, 80 are about the protection of objects that are under legal protection, that is, they are objects of property, including land. Moreover “Prostranna Pravda” is currently considered a summary of provisions of developed feudal law [8].

Prof. K. Pobedonostsev in the 19th century performed a comparative analysis of land relations between the East and the West and came to the following conclusions: the German conquerors in the West took possession of the land that was already inhabited by their tribes. They found an established system of Roman concepts on this land, which were based on legal law, and adopted this system. But the experience of the Roman Empire in land use was not spread to Eastern Europe as well. Therefore, the problem of the necessity to introduce land proprietorship arose here only in the 17th century. This question found comprehensive answer in scientific sources. The same prof. K. Pobedonostsev came to the following conclusions: Kiev princes in the East were not conquerors of the land, they did not find any legal system on their native land and did not have their own, but they “ruled the land”. But one can hardly say what was their meaning of the concept “rule” [8].

If Kyivan Rus arose as an early feudal state, then the period from the end of the 15th to the 17th centuries in Ukraine refers to late feudalism. Most of the features of feudalism were preserved in Ukraine until the 18th century and in the subsequent times, however, they already differed from the features of feudalism of the early period. Six centuries had passed from the 11th century (the time of the highest development of Kyivan Rus state) to the 17th century, but the concept of “land ownership” was not officially implemented in the lands of Ukraine. However, the awareness of this concept was close to its content. Moreover, there was no necessity to implement this right on the lands of Kyivan Rus, because of large amount of free land in Rus at the beginning of the history of our people, it was captured by anyone who wanted it, and the attitude to this free land was determined by the following words: “where the ax, plow and scythe went” [8].

A significant part of Ukrainian lands was seized by Poland, Hungary, North Bukovina at the end of the 15th century. Slobozhanshchyna became a part of Russia. The North-Western lands of Ukraine became the lands of the Grand Duchy of Lithuania. Right-bank Ukraine and Galicia – became lands of the Polish-Lithuanian Commonwealth. Bukovina, together with Moldavia, were under the rule of Turkey. After the capture of the central part of Hungary by Turkey and the southwestern lands by Austria, a large part of Transcarpathia became part of the Principality of Transylvania (Semigrad) which was dependent on the Turkish sultan. This situation persisted for quite a long time [3; 4].

The noble government of the Polish-Lithuanian Commonwealth introduced its own laws, court, authorities, administrative and political system on the captured Ukrainian lands. The nobility owned large tracts of land due to grants, arbitrary seizure. In 1569 Royal Poland together with the Grand Duchy of Lithuania created a state – the Polish-Lithuanian Commonwealth [3] under the Union of Lublin in 1569.

Political changes that took place in Eastern Europe in the 15th–16th centuries led to a change in the legal system on the territory of a large part of Ukraine. In the lands that became part of Poland the rules of this state were transferred. But in some lands of the north-central part of Ukraine, which were transferred to the Grand Duchy of Lithuania, the code of feudal law – “Ruska Pravda” – was in force at first. Lithuania adopted the terminology and legal norms of feudal Kievan Rus. The similarity between the Statute of the Grand Duchy of Lithuania (1529) and “Ruska Pravda” is now documentary justified. Subsequently, changes and additions were made to the Statute of Lithuania, new Statutes were adopted – the Statute of 1547 and the Statute of 1557, which were called the “Statute of Voloka”. A land reform (Sigismund-August reform) was carried out on the lands of the Grand Duchy of Lithuania. The reform had been carried out for almost 100 years. In some voivodeships, reformation gained intensity only at the end of the 16th century. The reform began in the middle of this century and continued to be introduced in the 17th and until the end of the 18th century. Prince of Lithuania Sigismund spread the Lithuanian statute on the lands that had become Lithuanian, including the northwestern Ukrainian lands, and guaranteed the preservation of the rights of freedoms granted by the “King of Poland, the Grand Duke of Lithuania, Russian, Prussian, Zhemaisky, Mazowiecki and others” [8].

The Lithuanian Statute was abolished only in 1840. The reform left some organizational innovations to the descendants, for example, internal land management, determination of arable land by its quality, land cadaster, register of lands for tracts (voloka), demarcation of villages, keeping of writing books and many other useful land management documents. The new organization of land was known as the main feature of the reform: the size of the land plots for economic activity was determined, the so-called voloka, equal to 30 morgs (19–20 desyatinas). Each peasant household received one voloka, a feudal one – two. A mandatory three-part land system was

introduced (such a system existed in Kyivan Rus since the 11th century). All the peasants, “implanted” on voloka, were obliged to pay the feudal lord duties in kind and money, in addition, they worked for the manor. The reform did not affect noticeably the social system.

The “Statute of Voloka” reform introduced one social difference in the feudal sphere: the size of the area of feudal lands was limited to 40 desyatina. As for land relations, they continued to be in force in accordance with the requirements of feudal law [8].

Ukrainian lands came under the crown of the Polish-Lithuanian Commonwealth after the unification of Poland and the Grand Duchy of Lithuania. Land relations began to be influenced not only by the feudal Polish order, which had been in use on the lands of Poland until then, but also by “Ruska Pravda”, Lithuanian statutes, and also Western European laws. The collection of legal norms of the Western European Middle Ages – “Saxon Mirror” (1224–1230) was considered universally recognized at that time. This collection of the law of early feudalism entered Ukrainian lands through Poland and Lithuania. And it formed land relations in Ukraine together with Lithuanian statutes at a certain time. “Saxon Mirror” was a German compilation of legal norms of the 13th century, another collection of law appeared later as Magdeburg Law. This Law arose in the 13th century. It was feudal city law in terms of content. Magdeburg Law became a continuation of the “Saxon Mirror”. A characteristic feature of the “Saxon Mirror” was that some of the legal norms of this collection had roots in Roman Law. Later, these norms spread to the eastern lands of Europe. The introduction process started in Poland, and then they were brought from the latter to Ukraine. That is why the introduction of new legal norms on the land use also took place with the help of Magdeburg Law, which became widespread in the 14th–15th centuries.

Landowners in cities, in the most cases Polish feudal lords, settled their lands with subordinates, obliging the latter to perform various functions: guarding castles, military service, etc. They were given land plots for this. The owner of the plot, in turn, paid the feudal lord a certain monetary fee. These relations were formalized by certain constitutive acts – privileges established in Magdeburg Law. Plots were given as inherited property, for construction of buildings, cultivation of land by the owner, transfer of land to ownership or pledge was also allowed. Thus, the landowners had various privileges. Over time, such privileged ownership of land received the special name – *chinsh*. The word “chinsh” (from the Latin – census) meant a constant payment (rent). This fee didn’t depend on productivity of the land plot and was not subjected to change at a request of a tenant (the person who acquired the right to use the land plot). The owner of the land had the right to change the amount of chinsh arbitrarily. Chinsh was a form of remuneration, which the user of the land paid to its owner for the right to possess and use someone else’s land. The tenant had essential rights: the right to inherit and dispose the land for lifetime, to receive all increases from the use of the land, he had the right to transfer the plot of land as

a pledge, an inheritance, to alienate it during his lifetime to any other person, to renounce the right for chinsh [8].

The right for chinsh on the lands of Ukraine was considered as a property inherited right to use someone else's land, subject to the payment of a certain amount to the land owner. The land of cities and rural settlements became the object of this right. This right had termless nature [8].

Liberation wars of the Ukrainian people against the Polish-noble rule took place in the middle and second half of the 17th century. Intensive development of productive forces, as well as positive changes in agriculture, were observed in Left Bank Ukraine, Slobozhanshchyna and Zaporizhzhia. These lands were gradually becoming a component of the all-Russian market. Class of feudal lords (foremen, nobility, clergy), who owned lands and estates, occupied, as before, the dominant position in economic and political life.

Foremen land ownership existed in two main forms after the liberation war: rank lands given to foremen as a reward for serving in command positions in the Zaporizhian army, and land grants that did not depend on official position and were personal feudal possessions (permanent or temporary).

Rank estates in various localities of Left Bank Ukraine were primarily given to the hetman and general foreman. The estates consisted of individual villages and entire parishes. Rank estates were granted instead of a monetary salary and were in use as long as the Cossack foreman held the position [4].

There was another form of feudal land ownership, which did not depend on the official position and was divided into the following groups: "absolute glorious ownership" of estates, which was preserved during the reign of the hetman, who granted this ownership; "to support the home" and "for the grace of the military". "Absolute glorious ownership" was based on the right of perpetual possession of land, which was considered free military. "For the support of the house" and "for the grace of the military" land was given in temporary possession. Lands were granted by Hetman universals and royal charters. Over time, the difference between temporary and lifetime estates disappeared and temporary estates turned into lifetime estates. Meanwhile, this form of feudal land ownership gradually became dominant [8].

Churches and monasteries also received hetmans universals for land ownership, according to which the peasants who lived on these lands were ordered to observe "customary obedience", and they themselves were attached to churches and monasteries. In addition, development of feudal relations contributed to the rapid accumulation of land wealth among secular feudal lords.

One of the achievements of the liberation war of 1648–1654 was that it significantly contributed to the liquidation of large feudal landholdings of Polish magnates and nobility, whose estates were transferred to the treasury of Zaporizhian Army. The so-called free military villages were formed on these lands ruled by the hetman-foremen administration. Free military villages, being part of the

possession of Zaporizhian Army, represented a completely new phenomenon – state feudal property.

At the same time, Right-Bank Ukraine remained under the authority of the Polish-Lithuanian Commonwealth, where Polish laws regarding land relations, discussed above, continued to be applied.

One of widely practiced forms of land acquisition, was known as *zaymanshchyna*: peasants and Cossacks occupied free land, cultivated it and even sold it. The institution of *zaymanshchyna* was not legally formalized, it operated as a form of customary law. In the same form there also existed public lands managed by the council of the community. So, we can summarize some of the changes that occurred in land relations and the status of lands in Ukraine as a result of the six-year liberation war, as well as after the unification with Russia.

First of all, it is necessary to pay attention to the guarantees that were given to Ukraine in the decisions of the Pereyaslav Council of 1654, which to some extent influenced changes in agriculture. The guarantee of 1659 was reproduced in the Pereyaslav decisions. On March 29, 1654, it was decided that Little Russia has its own administration and is judged by its ancient law and laws. Legally, the hetman's administration officially becomes the disposer of the lands that were transferred to the treasury of Zaporizhian Army, in fact – the hetman, who possessed the right to distribute lands or sell them.

The status of Ukraine as part of the Russian state was determined by separate articles and royal charters, universals of the Hetman administration. At the same time, the way of expansion of the foremen land ownership was diversified as they had no limits and there was no control over them.

More than a thousand universals were issued on the estate only during the years of I. Mazepa's hetmanship. Other hetmans and colonels were not far behind him. The documents of the time abound with references to the forced seizure of Cossack and peasant lands by hetmans (D. Apostol, P. Polubotok, etc.) and the forementop. Meanwhile, the Russian favor nobility land ownership, as well as ownership of foreign nobles, increased significantly. Clerical feudal lords also bought up peasant-Cossack lands, even under the threat of violence. Horsetail, the badge foremen, having concentrated a large amount of land in their hands, aspired the legal enslavement of their subjects, that is, the majority of the peasantry and a significant part of the ordinary Cossacks. Such a desire was based on a solid foundation [8].

Russia adopted the Summary of Laws of the Russian State – "Sobornoe Ulozhenie", approved by Zemsky Sobor (1648–1649), in which serfdom was legislated. With the adoption of the "Sobornoe Ulozhenie" in Russia, the gradual transformation of land ownership into land proprietorship began. The Russian government therefore positively perceived the aspirations of the foremen, who were also interested in the fact that their land was not in temporary, but in their permanent possession. Moreover, the right to land proprietorship was also applied in Western European countries [5].

Conclusions

Thus, the formation and development of land relations in Ukraine during the feudal era (9th–17th centuries) had its own peculiarities. Land relations and land management of the Eastern Slavs, as well as land ownership, had specific features in the period of early feudalism (5th–9th centuries) within the territory of the future Kyivan Rus. The lands located near the settlements were considered common, they were divided between individuals or families by drawing lots. At the same time, even before the appearance of “Ruska pravda” in the society of Kyivan Rus, there was already a clear idea that the land belonged to the prince, that is, feudal land proprietorship existed, although this fact was not officially certified anywhere.

With the disintegration of Kyivan Rus and the arrival of foreign invaders on its land in the 13th–15th centuries each of them brought their own rules regarding land ownership to these lands, and this, in turn, further strengthened specific features in land use. The noble government of Polish-Lithuanian Commonwealth introduced its own laws, courts, authorities, etc. on the captured Ukrainian

lands. The authorities of the Grand Duchy of Lithuania, Austria, Turkey and Muscovy pursued the same policy.

Slobozhanshchyna and Zaporizhzhia faced an intensive development of productive forces, as well as positive changes in agriculture in the middle and the second half of the 17th century due to the liberation war of the people of Ukraine against the Polish-noble rule in Left Bank Ukraine. Mentioned lands were gradually becoming a component of the all-Russian market. With the development of land holdings of clerical, local and Russian feudal lords, a completely new phenomenon emerged – state feudal property. Meanwhile, *zaymanshchyna* as one of the forms of land acquisition appeared and was widely practiced. The institution of *zaymanshchyna* was not legally formalized, it was operated as a form of customary law. The gradual transformation of land ownership into land proprietorship started with the adoption of the “*Sobornoe Ulozhenie*” in Russia. That is why, relying on the knowledge of historical experience, it is possible to contribute to the implementation of new land relations in our country in the modern land reform conditions.

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FINANCE AND MONEY TURNOVER

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FUNCTIONING OF THE FINANCIAL MARKET IN THE CONDITIONS OF WAR AND ITS FURTHER DEVELOPMENT

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Key words:

financial market, functioning of the financial market, development of the financial sector, budget, post-war reconstruction of the market, war.

The article determined that during the war, the financial sector of Ukraine faced difficulties in its normal functioning and there was a need to study the financial market and the need to reform it. The conditions and rules under which the financial market began to work since the beginning of the war are considered. A list of restrictions imposed on the financial sector was established, namely the withdrawal of cash from current accounts and the suspension of the currency market. Considered how the country's budget has changed. The factors that allowed the state to provide financing for all needs were identified. The dynamics of the dollar exchange rate and its impact on the environment were studied. It has been proven that with the help of coordinated work and timely adopted rules, it is possible to restore the state of the financial market. It was found that the stability of the economy can only be achieved through joint efforts, in particular with the help of partners, adjustment of logistics, technological processes and measures recommended by the National Bank of Ukraine.

ФУНКЦІОНУВАННЯ ФІНАНСОВОГО РИНКУ В УМОВАХ ВІЙНИ ТА ПОДАЛЬШИЙ ЙОГО РОЗВИТОК

Андросова О.Ф., Василенко Д.О.*Запорізький національний університет**Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**

фінансовий ринок, функціонування фінансового ринку, розвиток фінансового сектору, бюджет, післявоєнна відбудова ринку, війна

В статті визначено, що у воєнних умовах фінансовий сектор України зіткнувся з труднощами щодо його нормального функціонування та постала потреба у дослідженні фінансового ринку та необхідності його реформувати. Розглянуто умови та правила в яких почав працювати фінансовий ринок з початку війни. Встановлено перелік обмежень, які накладались на фінансовий сектор, а саме зняття готівкових коштів з розрахункових рахунків та призупинення діяльності валютного ринку. Розглянуто як змінився бюджет країни. Визначено фактори, які дозволили державі забезпечити фінансування по всім потребам. Досліджено динаміку зміни курсу долара та його вплив на середовище. Доведено, що за допомогою злагодженої роботи та вчасно прийнятих правил, можливо відновити стан фінансового ринку. З'ясовано, що дійти до стабільності економіки можна лише спільними зусиллями, зокрема за допомогою партнерів, налагодження логістики, технологічних процесів та заходів, які рекомендовані Національним банком України.

Formulation of the problem

The financial market is a special and necessary environment for the efficient functioning of the economy. A well-formed system of state regulation of the financial market provides favorable conditions for stable development and effective functioning of all segments of financial processes. The financial market works effectively with the successful development of the economy, low rates

of inflation, a stable legislative and regulatory framework, a favorable political situation and a certain balance of interests of the population.

In recent years, the financial market of Ukraine has undergone significant changes, initially associated with the introduction of quarantine due to the spread of the corona virus infection COVID-19, and then the most terrible thing happened – war. The very first changes since the

introduction of martial law affected the financial market, as the most important link of the economy. As a result, it is important to study the new realities of market functioning and its post-war development. The fact that this problem is the subject of general attention and determines the high relevance of the topic.

Analysis of recent research and publications

Due to the fact that this topic has recently become widespread, it is already being studied by many analysts and scientists and analyzed on the official websites of the National Bank of Ukraine [1; 2] and the Ministry of Finance of Ukraine [3]. This topic was also studied by Didenko Serhii [4], who made a significant contribution to the consideration of the financial sector during the war. Since the financial market is important for the economy in general, it was also monitored by various information portals: one of them is Vox Ukraine [5].

Formation of the objectives of the article

The purpose of the article is to study the functioning of the financial market during the war and the further post-war path of the financial sector.

Presentation of the main material of the research

At the beginning of the introduction of martial law in Ukraine, the National Bank of Ukraine adopted Resolution “On the operation of the banking system during the introduction of martial law” № 18 of February 24, 2022 [1]. After the approval of this document, a new order of activity of the financial system under new conditions began (Table 1).

The above-mentioned conditions were introduced in order to ensure the uninterrupted and reliable functioning of the financial system of Ukraine and critical infrastructure objects in the new realities, as well as to strengthen the protection of the financial sector and the economy, to prevent panic on the financial market.

The budget of Ukraine has also changed beyond recognition. Since the beginning of the war, the government has allowed businesses to switch to a simplified taxation

system. Under the general system, companies were able to pay a tax of 2 % of turnover instead of 20 % VAT and 18 % income tax. This significantly improved business life, but state budget revenues significantly decreased. Due to the conditions of limited resources, the state is careful about spending, and therefore all free funds are directed to defense. Budget financing is provided at the expense of the active work of the domestic economy, with the support of international organizations, state authorities and the population of Ukraine (see Fig. 1).

In addition to the fact that part of the funds go to finance the army, the funds are also spent on pensions, salaries, social benefits, the provision of critical infrastructure and the servicing of the national debt. Despite all the troubles and the lack of budget funds, the state provides assistance to everyone who needs it: a program for the relocation of Ukrainian productions has been launched, i. e. enterprises planning to move to safe places will be provided with assistance in selecting locations for their production facilities, transportation and resettlement of personnel, etc. [6]. It is also possible to receive a grant from the state for the development of one’s own business as part of the “IS a JOB” project, and financial assistance is also provided to temporarily displaced persons.

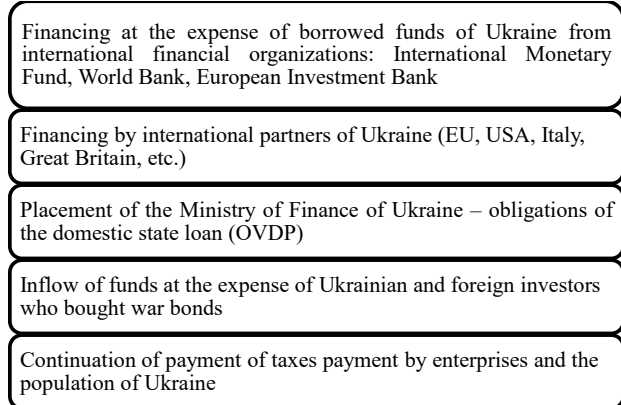


Fig. 1 – Sources of financing the budget of Ukraine
Note: compiled by the author based on [2]

Table 1 – The activity of the banking system in the conditions of war

Activity	Work plan
Banking	<ul style="list-style-type: none"> – banks continue the uninterrupted operation of all branches, provided that there is no threat to people’s lives and health; – make cashless payments without restrictions; – banks must ensure free access of customers to safe deposit boxes; – a mechanism for blank refinancing of banking institutions was developed to support their liquidity, its essence is to cancel restrictions on refinancing in terms of amount and term; – suspend the issuance of electronic money, replenishment of electronic wallets with electronic money, distribution of electronic money; – limit cash withdrawals from the client’s account to UAH 100.000 per day (not including salary payments and social benefits);
Lending	<ul style="list-style-type: none"> – banks are allowed to implement credit holidays; – banks are allowed to disregard loan defaults when assessing credit risk; – it is possible to restructure loans related to financial difficulties of debtors without recognizing default on such loans
Monetary market	<ul style="list-style-type: none"> – temporarily suspended his work, except for operations of selling foreign currency to customers; – the official exchange rate was fixed and the issuance of foreign currency from customer accounts was prohibited, except for those enterprises that were entrusted with the obligation to implement mobilization plans

Note: compiled by the author based on [1]

In order to accumulate budget funds, the Ministry of Finance of Ukraine started issuing bonds of internal state loans (OVDP), the funds from which go to support the army and uninterrupted provision of the state’s financial needs in conditions of martial law. In the 5th month of the war, the total amount of all bonds amounted to UAH 49.7 billion, and according to the analysis of the NBU, the banking sector operates in stable conditions and is completely liquid. Banks have significant hryvnia and foreign currency reserves. Available funds in the current accounts of individuals increased by 16 % for the month, which is quite positive in war conditions, as it indicates the absence of significant withdrawal of funds from the banking system [7]. Restrictions imposed by the NBU on cash withdrawal operations from current accounts are gradually being lifted.

During the war, Ukrainians encountered price increases (prices rose by 19.5 % since the beginning of the year) [8] and a shortage of some goods, and there was also a 33 % drop in GDP. Inflation has reached a record high this year, the main reason being the war, which has reduced the supply of goods due to reduced production, as well as increased costs due to disruption of logistics, destruction of production assets, production chains, etc. However, at present, inflationary dynamics are gradually improving, inflation rates in Ukraine are decreasing – this is an important positive dynamic for society and entrepreneurs [9].

The main factor of inflation is the increase in the official exchange rate of the dollar, which increased by 25 % (Fig. 2).

The sharp increase in the exchange rate took place in view of the change in the fundamental characteristics of the Ukrainian economy during the war and the strengthening of the US dollar against other currencies. At the same time, in the future the course will be fixed as well. Due to high instability and uncertainty, as it is the main anchor of stabilization of expectations and the main means of fulfilling the priority goals of the NBU.

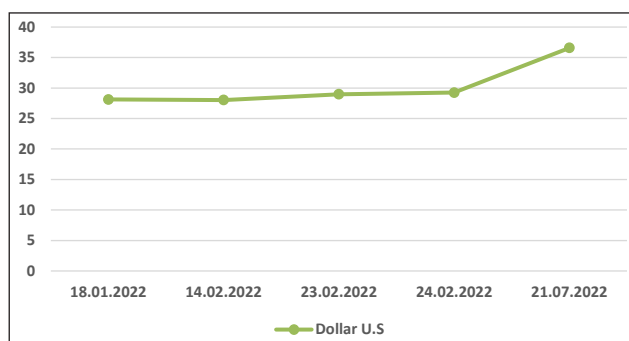


Fig. 2 – Dynamics of the US dollar exchange rate during 18.01.2022 – 21.07.2022

Note: compiled by the author based on [10]

Despite the negative factors that complicate the work of the financial market, it works, its functioning from the beginning of martial law to the present day is being restored. Only the stock market operates under limited conditions, it continued its work only in the areas of issuing and servicing military government bonds.

After the Ukrainian victory, a difficult and difficult path of post-war recovery awaits Ukraine. In particular, these are large costs for the reconstruction of cities, covering the debt, ensuring the defense of the country, etc.

On September 13, 2022, the government approved the draft Law on the State Budget of Ukraine for 2023. “The state budget of 2023 is the budget of a warring country that has been suffering colossal losses for more than six months due to the full-scale military invasion of the Russian Federation on the territory of Ukraine. That is why the Government has laid down increased financing of the security and defense sector at the level of 17.8 % of GDP, which is three times more than what was laid down in the 2022 state budget” [11].

According to the Draft State Budget for 2023, resources are directed to the most priority areas (see Table 2).

Table 2 – Priority directions for the allocation of budget funds for 2023

Direction	Amount of money
Health care	UAH 175.7 billion
Education	UAH 155 billion
National security and defense	UAH 1 141.1 billion or 17.8 % of GDP
Pension provision and social protection	UAH 835 billion
Reserve fund	UAH 17.4 billion
Support of war veterans	UAH 6.8 billions
Fund for liquidation of the consequences of armed aggression	UAH 19 billions
Entrepreneurship Development Fund	16 billions of hryvnias
Provision of business grants	1.37 billions of hryvnias

Note: compiled by the author based on [11]

Analyzing the table, we can say that most of the funds will be directed to the national security and defense of the country, which is the main thing at the moment.

The budget deficit is expected to be 20 % of GDP, which is planned to be covered by state borrowing – UAH 1.686.8 billion.

For 2023, the tax rates will remain the same, they will not be increased, and the minimum wage from January 1, 2023 will be 6.700 hryvnias per month, the subsistence minimum for one person calculated per month is 2.589 hryvnias [11]. As for the exchange rate, it may reach 50 hryvnias per dollar by the end of 2023, the average annual rate will be around 42.2 hryvnias per dollar according to the forecast, similarly, we should expect a rise in prices in the country [12].

In general, if we observe the situation in 2022, we can say that the state of the financial market has improved, so in the future it should return to growth, steadily restore the work of all its sectors.

In turn, the prosperity of the economy and the financial market is possible with the financial assistance of partner countries (the USA, Great Britain, etc.), the adjustment of logistics, technological processes, the restoration and attraction of various investments to the country, with the help of state support for business development, thus appearing free jobs, people will start returning from abroad

and develop the country together. Only with joint efforts, avoiding past mistakes and with the help of the experience of international countries, the financial market will begin to revive and function effectively.

Conclusions

Based on the results of the analysis of the functioning of the financial market, we can say that with the help of the decisions of the National Bank of Ukraine, it was possible to soften the unexpected first blow to the financial sector, prevent panic in the market and strengthen its protection. Since the beginning of the martial law and today, the state

of the market and the economy in general has improved, which testifies to the correct decisions made by the country's leadership and to its further functioning in the conditions of war.

Despite the difficult conditions of reality, the financial market is functioning and will continue to have the margin to work stably, the government with the help and support of international states is doing everything possible to ensure that this situation continues in the future.

Despite all the troubles on Ukraine's path, it will endure and begin a new long-term development, becoming one of the most powerful European states.

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DOI <https://doi.org/10.26661/2414-0287-2022-3-55-17>**FUNCTIONING OF UKRAINIAN BANKING SECTOR DURING WAR****Batrkova T.I., Snisarenko M.Ye.***Zaporizhzhia National University*
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ORCID: 0000-0002-5710-9416**Key words:**lending, banks, martial law,
agrarian sector, sowing

This article is devoted to the problem of providing banking services to individuals and legal entities during martial law in Ukraine. Starting the war with Ukraine on February 24, 2022, the aggressor country – Russia, brought suffering to ordinary citizens of our country, and dealt a devastating blow to the economy, including the banking sector.

According to experts, 2022 should be a year of economic expansion for our country, as last year's GDP accounted for around \$200 billion, which is the highest rate in its history, despite the occupation of Crimea and forming of breakaway states on our land. Unfortunately, this did not happen, the Russian army attacked our country, killed and tortured civilians, and shelled towns and villages. War always brings destruction not only to infrastructure and people, but also to economic processes. Even if our victory in this war will be quick, most industries will bear the loss, including the banking industry, the devaluation of its loan portfolio will absorb capital.

ICU analysts expect that most banks, including systemically important ones, will have negative capital at the end of this year due to the consequences of the war. Therefore, the National Bank will be forced to pursue a policy of easing regulatory requirements in 2023. In the future, military reparations from Russia may become one of the sources of bank capitalization.

Understanding the importance of lending as one of the most significant mechanisms for recovery and modernization of all industries in various sectors of the economy, Ukraine's banking industry seeks to provide credit to the real sector, thus increasing employment, business growth and new enterprises, as well as socio-economic development of the state and as a result – economic growth in general. The country, together with the National Bank, is doing everything possible to obtain refinancing by commercial banks so that they can increase their loan portfolio and provide entrepreneurs with access to credit resources for rebuilding our economy, that must start right now.

Understanding that lending will help stimulate the effective work of business, the government has signed several important laws that facilitate the lending process and change certain bank's regulations, that for violation of which it is no longer possible to apply enforcement measures, including capital adequacy and liquidity.

Also have been developed some governmental programs that allow borrowers to obtain a loan at 0 % during martial law and one month after. Most of these funds were directed to agribusiness: 42 %, because Ukraine is an agrarian country and now it is time for sown.

Thus, at this difficult time, the Government and the National Bank are trying to analyze the situation on time and act effectively to save the economy by facilitating lending processes and investing financial resources in the most necessary sectors, one of which is agriculture.

ФУНКЦІОНУВАННЯ БАНКІВСЬКОГО СЕКТОРУ УКРАЇНИ В УМОВАХ ВІЙНИ**Батракова Т.І., Снісаренко М.Є.***Запорізький національний університет*
*Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**кредитування, банки, воєнний
стан, аграрний сектор,
економічні зв'язки

Стаття присвячена проблемі надання банківських послуг фізичним та юридичним особам в умовах воєнного стану в Україні. Розпочавши з 24 лютого 2022 року війну з Україною, країна – агресор – росія, принісла страждання звичайним громадянам нашої країни, та нанесла руйнівного удару економіці, в тому числі і банківському сектору.

За очікуваннями експертів 2022 рік для нашої держави мав би стати роком підйому економіки, адже ВВП у минулому році склало 200 мільярдів

доларів, що є найвищим показником в усій її історії, навіть не зважаючи на окупацію Криму та створенню ОРДЛО на нашій землі. На жаль, цього не сталося, російська армія напала на нашу країну, вбиває та катує мирне населення, та обстрілює міста та села. Війна завжди приносить руйнування не тільки для інфраструктури та людей, а й для економічних процесів. Навіть якщо наша перемога у цій війні буде швидко більшість галузей зазнають збитків, в тому числі і банківська галузь, знецінення її кредитного портфеля поглинати капітал.

Аналітики ІСУ очікують, що більшість банків, у тому числі системно важливі, матимуть від'ємний капітал наприкінці поточного року через пов'язані з війною наслідки. Тому Нацбанк змушений буде дотримуватися політики пом'якшення регуляторних вимог цього та 2023 року. У майбутньому воєнні репарації від росії можуть стати одним із джерел капіталізації банків. [<https://telegra.ph/Bankivska-sistema-Ukraini-v-umovah-vijni-03-18>]

Незважаючи на все вищенаведене, та розуміючи важливість кредитування, як одного з найважливіших механізмів відновлення та модернізації всіх галузей у різних секторах економіки, банківська індустрія України намагається забезпечити кредитними ресурсами реальний сектор економіки, тим самим сприяючи збільшенню робочих місць та зайнятості населення, зростанню бізнесу та появи нових підприємств, а також соціально-економічному розвитку держави і як підсумок – економічному зростанню в цілому. Держава разом з Національним банком роблять все можливе для отримання рефінансування комерційними банками, щоб останні могли збільшити свій кредитний портфель та надати доступ підприємцям до кредитних ресурсів, для відбудови нашої економіки, яку вже зараз потрібно починати.

Розуміючи що кредитування допоможе стимулювати ефективну роботу бізнесу Урядом було підписано декілька важливих законів, які полегшують процес надання позичок, а також змінюють певні нормативи в банках, за порушення яких тепер неможливо застосовувати заходи впливу, зокрема нормативи достатності капіталу та ліквідності.

Також розроблені державні програми, які дозволяють позичальникам отримати кредит під 0 % протягом дії воєнного стану та упродовж місяця після його завершення. Найбільше всього цих коштів було направлено в агробізнес: 42 %, адже Україна є аграрною державою і зараз йде час посівної.

Отже, в цей нелегкий час, Уряд та Національний банк намагаються своєчасно аналізувати ситуацію, та ефективно діяти аби мати змогу зберегти економіку, шляхом полегшення процесів кредитування та вкладання фінансових ресурсів у найнеобхідніші сектори, одним з яких є аграрний.

Problem statement

In this difficult time for Ukraine, the time of struggle against Russian aggression, our national economy is trying to adapt to difficult circumstances and work to ensure our victory. The banking industry is currently one of the leading, because it is designed to provide other economy sectors with financial resources to enable incessant operation.

The development of any country is impossible without lending to different business entities, but lending during martial law has a big risk for banking industry. Recent events have changed the functioning of loan institutions to make it possible for them to work in wartime. Analysis of these changes gives an understating how the government and National Bank of Ukraine have helped banks and other institutions to adapted to difficult circumstances caused by war, and also an understanding whether these changes are effective for Ukraine's economy and will ensure reliable and efficient functioning of critical infrastructure and various sectors of economy.

Analysis of recent researches

Lending research is impossible without understanding of the impact of the banking industry on the economy. This issue was considered by domestic scientists:

V. Kremen, O. Kremen, L. Gulyaeva, O. Irshak, Y. Prikhodko, T. Paentko, etc.

Thus, according to V. Kremen, O. Kremen, L. Gulyaeva, the development of Ukraine's economy is impossible without the effective functioning of the banking system, because lending has a crucial part in ensuring the reproductive processes in the economy. O. Irshak, Y. Prikhodko in their researches believe that lending activities of banking institutions have a direct influence on ensuring the sovereignty of the government and the realization of its national interests in the terms of globalization.

Thus, these views require systematization and generalization of theoretical and methodological developments on the idea of the role of banking for the state. Due to recent events, the issue of studying the banking system is relevant, which one of the main tasks is lending, as a mechanism that allows the economy to remain at a level that would ensure its stability.

Goals

The purpose of this article is to analyze the activities of credit institutions under martial law, as well as documents that facilitate lending to both individuals and legal entities. In this article some other purposes are also formed:

- definition of bank lending and martial law;

- determining the importance of lending for the development of the state economy; analysis of changes in legal system;
- study of the leading regions on loans to the agricultural sector.

Main material presentation

After the beginning of the war in Ukraine, on February 24, 2022, martial law was declared in our country, changing the lives of all its inhabitants and the activities of enterprises in all industries, including the banking industry. In the new conditions of increased turbulence, it is very important to reconsider on time what is going on and how to adapt to the current situation without losing its solvency and competitiveness. Despite the fact that the economy does not work without the money cycle, without it the financial ties between economic entities both within the country and abroad are destroyed, of course – without the efficient operation of the banking sector, during martial law it is almost impossible to do business. activity of different industries. It is known that at the beginning of the large-scale invasion, 2 banks (Sberbank and VEB) out of 71 were liquidated, they were indirectly owned by the Russian government. These banks owned 2 % of the total assets of the banking sector, their closure did not have much impact on the banking system. Ukrainian banks were able to adapt well to work in wartime, despite the profitability risks on capital, were able to organize work where there is no active fighting.

Lending is one of the most significant components of economic development, so the important question is how lending will be conducted in wartime conditions in Ukraine.

First, let's figure out what concept of lending is. Since a bank loan is the most common form of credit, we need to determine what it is. According to the Law of Ukraine "On Banks and Banking": Bank Credit shall mean any commitment of a bank to extend a certain amount of money, any guarantee, any obligation to acquire the right to claim debt, or any extension of the debt maturity, which occurs in exchange for the borrower's commitment to repay the debt amount, as well as an obligation to pay interest and other charges due on this amount [1].

Why lending is important for the development of the state's economy? It is known that bank loans play an important role, as they help in the activities of various household entities, by providing temporarily free funds, thereby helping to increase employment, business growth and the emergence of new enterprises, as well as social and economic development and as a result – economic growth. However, martial law, which was declared because of the aggression by Russia, imposes certain limits on the activities of all individuals and legal entities.

According to the Law of Ukraine "On the Legal Regime of Martial Law", namely Article 1, Martial Law is a special legal regime that is introduced in Ukraine in case of an armed aggression or a threat of an attack, a threat to state sovereignty and territorial indivisibility of Ukraine. This rule involves granting the relevant state Executive, Local self Government organs, and the Military Command necessary powers to prevent threats and to guarantee national security. It also involves temporary, (threat determined) restrictions of human constitutional rights and freedoms as well as the rights and legitimate interests of all legal persons with an indication of the period of effectiveness for these restrictions [2].

From the definition, it seems that martial law means only restrictions for the citizens of Ukraine. However, this means not only restricting their rights and freedoms through fighting, but also some simplifications. For example, the Law of Ukraine "On amendments to the Tax Code of Ukraine and other legislative acts of Ukraine concerning the effect of regulations for the period of martial law" [3] was adopted, due to which some banks introduced credit vacations during the war. According to this Law, the following possibilities appear: during martial law and within 30 days after the day of its termination or cancellation, citizens are released from liability to the creditor if they have not paid their obligations within the specified period. It is also forbidden to raise the interest rate for the use of credit, except in cases where the contract provides for a change. It is also important to clarify that all fines and other payments that are in the consumer loan agreement and accrued from February 24, 2022 inclusive for late payments are subject to write-off. However, the NBU noted that if there are sufficient reserves to repay debts, they should be paid [4].

There have also been some simplifications for banks, and it is no longer possible to apply sanctions to them for violating regulations, in particular, capital adequacy and liquidity. This means that banks can lend even when they suffer losses. Another facilitation of banks is that they have the opportunity to restructure loans, if such need appeared due to the Russian invasion. It should be noted that most banks at this difficult time still provide credit limits function to their retail customers, which they actively used at the beginning of the war.

The above actions done by the state and the NBU encourage banks to expand lending programs by increasing the availability of free funds. For example, the change in the terms of 'Affordable Loans 5–7–9 %' program. According to the decision of the Cabinet of Ministers, any business during the martial law and within a month after its completion will be able to get a loan at 0 %. After that, the credit rate will be 5 %. The maximum loan amount was increased to UAH 60 million [5].

According to the results provided by the Ministry of Economy of Ukraine, loans totaling UAH 1.1 billion were issued to 826 businesses on February 24, 2022. Of all the loan money issued under 'Affordable Loans 5–7–9 %' program, 42 % accounted for the agricultural sector.

Agribusiness is the main growth driver for the Ukrainian economy. Ukraine has been known as the breadbasket of Europe, accounting for about 25 % of the world most fertile black soil. Ukraine is the world's largest exporter of sunflower oil and one of the top exporters of grains. The core agricultural crops making Ukraine one of the world leaders are grains and forage crops, including wheat, corn, barley, sunflower, sugar beet, legumes, fruits and vegetables, tobacco, etc. [6].

About 12.000 farms used the available loans. On the received funds farmers are going to purchase fertilizers, fuel, plant protection products [7]. These data are obligate, because now is the time of sowing, which is important not only for Ukraine's economy but also for the rest of the world, because our country is one of the largest exporters of sunflower oil, corn, wheat and other agricultural products.

Based on this, Ukrainian banking institutions for the period from mid-March to April 5 issued agricultural programs of loans under government programs to support

the sowing company in the military turnover of the Russian Federation in Ukraine for a total of 1785 billion UAH.

According to Figure 1, we see that most farming loans were issued by banks in Kirovohrad region, number reaches UAH 405 million and is 22.7 % of the total amount of loans taken. The second place is taken by Vinnytsia region with UAH 365 million and 20.4 % of the total loans. Next are Dnipropetrovsk region, where the percentage of the total amount is 15 % and is equal to 267 million UAH, Odesa region with 161 million and 9 % and Lviv region with 159 million UAH and 8.9 %. The remaining 23.9 % (UAH 428 million) falls on other regions of Ukraine.

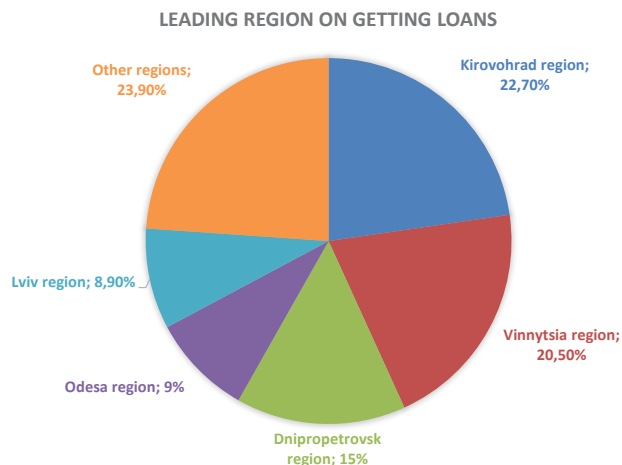


Fig. 1 – Leading region on getting loans

Source: made by authors based on [8]

The government also supported the decision, which will allow retailers to attract soft loans of up to UAH 1 billion for one year at 5 %, because they provide Ukrainians with those goods that are extremely important in such a difficult time. This decision is very important, because it will replenish working capital instead of closing shops and will help to pay Ukrainian producers for products on time, so that villages and towns of our country will have food and goods without which the lives of ordinary citizens are impossible.

Conclusions

Despite Russia's military aggression, Ukraine has the opportunity to support its economy through lending. Looking at the above signed documents and changes in some procedures by the government and the NBU, which greatly simplify the procedure for lending to banks and borrowers, it becomes clear that lending in wartime is possible and even has a crucial role in the economy, because in this way it contributes to the restoration and modernization of production, which must adapt to the new realities of life; helps with sowing, by issuing loans at an interest rate of 0 % per annum under the program "Available loans 5–7–9 %"; provides retail chains with funds, with the help of soft loans up to UAH 1 billion for a period of one year at 5 %.

Through these actions, the government is restoring Ukraine's economy, which has stalled due to recent events, as well as providing sowing, because if we harvest, we will ensure the export of goods to the agricultural sector, which gives Ukraine about 40 % of foreign exchange earnings.

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CURRENT STATE AND PROBLEMS OF FUNCTIONING OF THE STOCK EXCHANGE IN BULGARIA

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Key words:

stock exchange, Bulgaria, index, regulated market, trends, capital market

The article is devoted to the study of the peculiarities of the stock exchange in Bulgaria, the actual issue of the stock exchange development in the context of the global crisis and the war between Ukraine and Russia. The stock market is an integral and important component of the financial system of the modern market economy. The most important prerequisite for its sustainable development and effective functioning is a favorable economic situation in the country, an extensive network of stock exchanges and a high degree of confidence in exchange instruments on the part of companies and the population. The article investigates and analyzes the current trends of the stock exchange in Bulgaria, as well as its further development and prospects. Securities trading in Bulgaria is a relatively young sphere and the number of market participants is still growing. Therefore, it is quite appropriate and relevant to consider the problems and prospects for the development of this type of trade in Bulgaria. The article defines the turnover of the markets organized by the Bulgarian Stock Exchange, their features and the number of users. The essence of the concept of "Regulated Market" and the history of its origin in Bulgaria are considered. The main indices on the Bulgarian Stock Exchange and the functions of the regulated market in the country are indicated. The main problems of securities trading are identified, including the war in Ukraine, supply chain problems caused by the COVID-19 pandemic. The movement of indices in the analyzed period is determined and substantiated. The vector of development and further actions of the Bulgarian Stock Exchange are indicated. Conclusions are drawn on the existence of a regulated market in Bulgaria, on trends in securities trading in 2022.

СУЧАСНИЙ СТАН ТА ПРОБЛЕМИ ФУНКЦІОНУВАННЯ ФОНДОВОЇ БІРЖІ В БОЛГАРІЇ

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Ключові слова:

фондова біржа, Болгарія, індекс, регульований ринок, тенденції, ринок капіталу

Стаття присвячена дослідженню особливостей біржі в Болгарії, актуальному питанню розвитку фондової біржі в умовах світової кризи та війни України з Росією. Фондовий ринок є невід'ємною та важливою складовою фінансової системи сучасної ринкової економіки. Найважливішою передумовою його сталого розвитку та ефективного функціонування є сприятлива економічна ситуація в країні, розгалужена мережа фондових бірж та високий ступінь довіри до біржових інструментів з боку компаній та населення. В статті досліджено та проаналізовано сучасні тенденції фондової біржі в Болгарії, а також її подальший розвиток та перспективи. Торгівля цінними паперами в Болгарії відносно молода сфера та кількість учасників ринку, ще буде зростати. Тому досить доцільно та актуально розглянути проблеми та перспективи розвитку такого виду торгівлі в Болгарії. В статті визначено оборот ринків, організованих Болгарською Фондовою Біржею, їх особливості та кількість користувачів. Розглянуто сутність поняття "Регульованого ринку" та історію його виникнення в Болгарії. Зазначені основні індекси на Болгарській фондовій біржі та функції регульованого ринку в країні. Виявлено основні проблеми торгівлі цінними паперами, серед яких війна в Україні, проблеми з ланцюгами постачання, спричинені пандемією

COVID-19. Визначено та обґрунтовано рух індексів в аналізованій період. Зазначено вектор розвитку та подальші дії Болгарської Фондової Біржі. Зроблено висновки щодо існування регульованого ринку в Болгарії, про тенденції торгівлі цінними паперами в 2022 році.

Problem formulation

The stock market is an integral and important element of the financial system of a modern market economy. The main prerequisite for its sustainable development and effective functioning is a favorable economic situation in the country, a widespread network of stock exchanges, and a high level of confidence of enterprises and the population in stock market instruments. However, nowadays in Bulgaria, as well as in the whole world, the financial market is functioning in an unstable condition due to financial and political factors, the war in Ukraine, as well as low activity of market participants.

Analysis of latest research and publications

The scientific sphere of interests of such Bulgarian economists as Y. Yordanov, S. Simeonov, B. Lomev, I. Ivanov, B. Bogdanova, and others is the study of the peculiarities of the formation, development, and functioning of the Bulgarian stock market. However, given the current state of the stock market in the world, the issues of assessing the current state and finding problems that hinder the functioning of the stock market and ways to solve them, taking into account the factors of the market environment, are relevant and require further research.

Goals formulation

The purpose of the article is to analyze the main trends in the development of the capital market and to study the main risks and uncertainties faced by the Exchange.

Outline of the main material of the research

The Bulgarian Stock Exchange (BSE) is a joint stock company licensed by the State Commission for Securities and Stock Market (currently these regulatory functions are under the jurisdiction of the Financial Supervision Commission) to operate a stock exchange in the country. The authorized capital of the company itself is BGN 6.5 million.

According to Bulgarian legislation, a Regulated Market is a multilateral system organized and/or operated by a market operator that satisfies or facilitates the interests of third parties in the purchase and sale of financial instruments through the system and by its non-discretionary rules in a manner that leads to the conclusion of a contract in respect of financial instruments admitted to trading under its rules and/or systems, licensed and operating regularly per the requirements of the law and regulations [5].

The Bulgarian capital market emerged at the beginning of the 20th century. The first Stock Exchange Act was adopted in 1907 and regulated the structure and activities of stock and commodity exchanges in the country. The Sofia Stock Exchange started its real activity in January 1918, initially trading shares of 21 companies. In 1947 the Sofia Stock Exchange was liquidated by law. The

Bulgarian capital market resumed its existence with the adoption of the Commercial Act in 1991. The Bulgarian Stock Exchange in its present form was established in 1995 after the merger of the Plovdiv Stock Exchange, the Black Sea Stock Exchange, the Danube Stock Exchange, and the Sever Stock Exchange with the First Bulgarian Stock Exchange (founded in 1991) [1].

Over the years, several indices have been created on the Bulgarian Stock Exchange, and today there are four of them:

- SOFIX – the first index on the BSE was launched in 2000 and reflects the current total capitalization of the listed companies compared to the previous day;
- BG40 – started to be tracked five years later and includes share issues of the 40 most traded companies on the BSE for the last six months;
- BGREIT – reflects the market capitalization of real estate companies;
- BGTR30 – includes shares of 30 companies and reflects their dynamics, while each of the represented companies has equal weight for the index.

The main aspiration of the BSE for investors is to ensure equal access to market information and equal conditions for participation in securities trading, and for Bulgarian businesses – to establish the stock exchange as a key instrument in the economy in search of sources of financing.

To invest in shares of a Bulgarian company, the latter must be listed on the BSE. Each stock exchange, including the BSE, has an administrative address, but today the markets are interconnected not by physical location, but by electronic networks that allow investors to conduct transactions entirely online, increasing the speed of trading and reducing the cost of buying and selling securities.

Demand and supply on the BSE, as on all stock exchanges, are formed under the influence of many different factors, which, as on all other free markets, affect the price of shares.

As a rule, not all transactions on the BSE necessarily take place on the exchange. Some trades take place on the so-called “over-the-counter market”, which is often used for registration of pre-arranged deals, tender offer deals, repo transactions, etc.

In any case, according to Bulgarian legislation, the regulated market must implement appropriate measures and procedures:

1. Identification, prevention, and termination of possible negative consequences for the regulated market or its members or participants arising from conflicts of interest and, in particular, when they may impede the proper performance of the regulated market functions on the one hand and the interests of the market operator, respectively the regulated market, on the other hand.

2. Management of risks related to the functioning of the regulated market, identification of significant risks

for the proper functioning of the regulated market, and mitigation of these risks.

3. Ensuring proper management of technical operations of the regulated market system, including taking effective measures to manage the risk of system failure.

4. Establishing transparent and non-discretionary rules to ensure fair and orderly trading and objective criteria for the efficient execution of orders to conclude transactions in financial instruments.

5. Ensuring efficient and timely settlement of transactions concluded on the regulated market.

6. Detection and prevention of manipulation of the financial instruments market [5].

For the period January 2022 – October 2022, the turnover of the Bulgarian Stock Exchange (BSE) increased by 75.84 percent compared to the same period in 2021 and reached BGN 754 million. The change in the number of transactions for the period from January 2022 to October 2022 compared to the same period of the previous year is an increase of almost 42 percent.

Having analyzed the 3rd quarter of 2022, we can note that the turnover of the markets organized by the BSE in the third quarter of 2022 amounted to BGN 177.001.948. This compares to BGN 141.449.233 in the third quarter of 2021, representing an increase of 25 %. This is mainly due to an increase in the turnover of the BSE by almost 19 times. An increase of 5 % was observed in the main market and a drop of 36 % in the alternative market. The lowest turnover was in September – BGN 55 million, and the highest – in July – BGN 66 million.

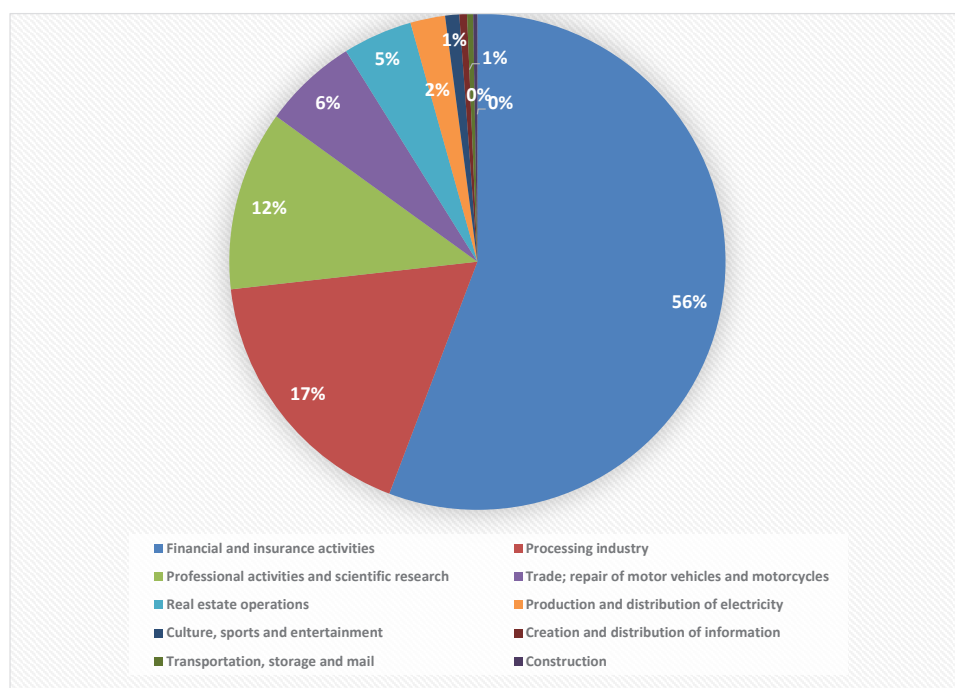
In the third quarter of 2022, the “Financial and insurance activities” sector traditionally ranks first in the ranking with BGN 63 million (in Q3 2021 – BGN 92 million) and accounts for 56 % of the total turnover. As can be seen from the table below, the ranking is followed by the “Manufacturing” sector with a share of 17 % and the “Professional activities and scientific research” sector with a share of 12 % of the total turnover for the quarter.

The sector “Trade; repair of motor vehicles and motorcycles” ranks fourth with a turnover of BGN 7 million and 6 % of the total turnover.

Table 1

Sector	Make deals	Traded lots	Turnover (BGN)
Financial and insurance activities	9549	15 474 320	62 627 040
Processing industry	3258	3 595 388	19 586 493
Professional activities and scientific research	2572	2 241 773	13 179 254
Trade; repair of motor vehicles and motorcycles	825	1 671 715	6 917 782
Real estate operations	257	468 629	5 085 633
Production and distribution of electricity and thermal energy and gaseous fuels	41	1 125 923	2 542 148
Culture, sports and leisure	588	60 756	1 030 282
Creation and dissemination of information and creative products; telecommunications	38	256 098	559 594
Transportation, storage and mail	94	34 234	442 939
Construction	52	41 501	306 710

Source: [2]



Source: [2]

The fifth place in the ranking is occupied by the “Real estate operations” sector with a turnover of BGN 5 million and a share of 5 % of the total turnover.

Considering new issuers, retired issues, and capital increases, it can be noted that in Q3 2022 the number of new issues of financial instruments admitted to trading was 5, compared to 102 in the corresponding quarter of 2021 (due to the inclusion of BSE International). The new issues included one equity issue on the standard market, two bond issues, and one exchange-traded product issue.

Six issues were deregistered, including one bond issue, one government securities issue, two share issues on the Main Market, and two share issues on the BSE. This compares to 12 issues of financial instruments that were deregistered in the corresponding quarter of 2021. Four companies increased their capital in the reporting quarter.

However, the military conflict between Russia and Ukraine, which is causing turmoil in the world’s leading financial markets, and supply chain problems caused by the COVID-19 pandemic, are exacerbating the problem. Economic sanctions against the Russian Federation have been imposed by the European Union, the United States, and other countries. This conflict and related economic sanctions affect both the local economies of individual countries and the global economy, leading to a significant increase in oil, gas, and other raw materials prices, as well as increased inflation at the global level, which is undoubtedly reflected in the levels of indices.

The graphs below show that the movement of the indices was similar, only BGREIT changed in a different form due to the type of companies that make up the index.

The BGBX40 decreased the most in percentage terms – by 4.95 % (7.13 points). BGTR30 decreased by 3.93 % (29.08 points), and the value of the SOFIX index decreased by 4.14 % (25.35 points). The BGREIT index decreased by 0.99 % (1.78 points) during this period.

Despite these upheavals, we can note that the Bulgarian Stock Exchange (BSE) in autumn announced a partnership with one of the world’s leading providers of data and infrastructure for financial markets – Refinitiv, a member of the London Stock Exchange group. Refinitiv will manage and provide data on the sustainable performance of Bulgarian public companies. This data, in the form of ratings, will be used to select companies for inclusion in the future BSE ESG Index, the methodology of which is to be adopted by the end of 2022.

BSE also allows Bulgarian public companies to provide their ESG data through Oxygen, a dedicated digital platform recently introduced by Financial Market Services, a subsidiary of the Exchange.

In 2020, Refinitiv will debut Fund ESG Scores to help drive the industry’s transition to sustainable investing. The Refinitiv Deals Intelligence Sustainable Finance League Table Rankings is the first and only ranking to combine both sustainable products

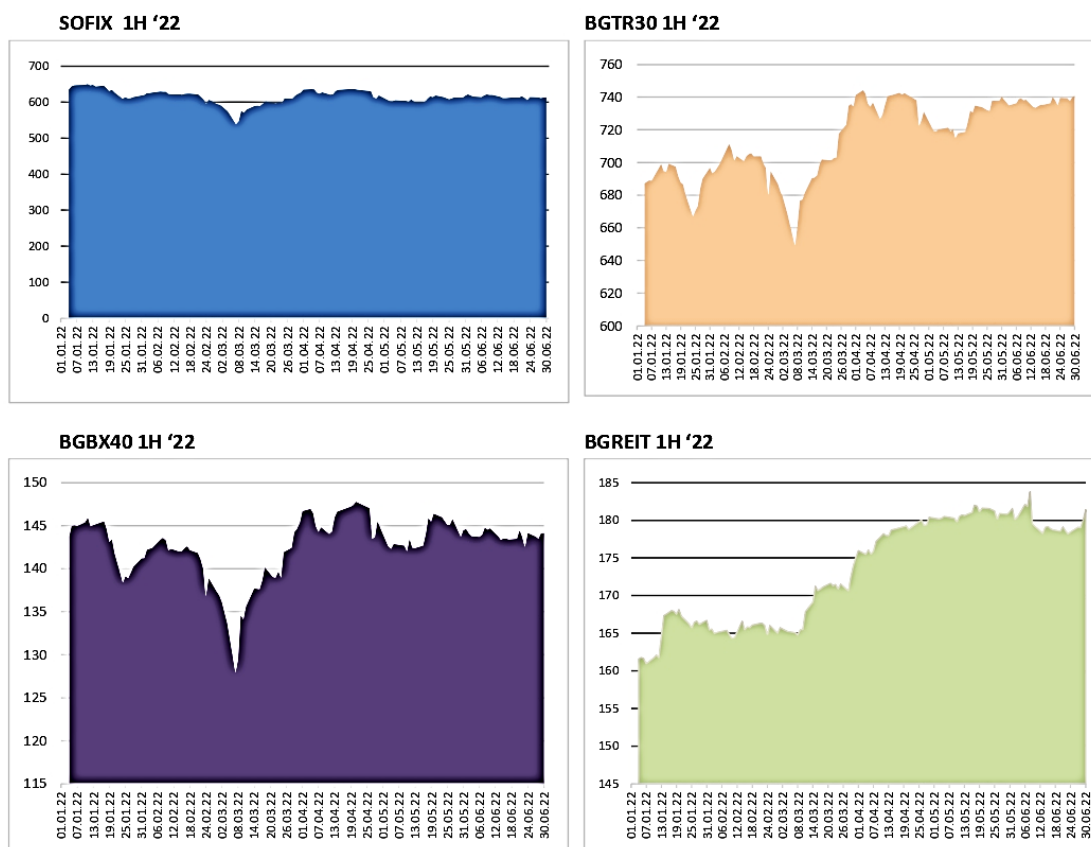


Fig. 1.

Source: [2]

and sustainable companies, resulting in the most comprehensive sustainability ranking known to the market. As a member of the United Nations Global Compact, Refinitiv is part of a community of more than 9.000 companies in 135 countries that are committed to responsible business practices.

This event is important in the Bulgarian stock market, as an important priority of the BSE is to expand international contacts and relations with other exchange institutions and organizations at regional, European and global levels. BSE is a full member of the Federation of European Stock Exchanges (FESE).

In November 2020, the Bulgarian Stock Exchange was admitted to the United Nations Sustainable Stock Exchanges Initiative (UN SSE). It is a United Nations partnership program organized by UNCTAD, the UN Global Compact, UNEP FI, and PRI. The vision of UN SSE is to provide a global platform for exploring how stock exchanges, in collaboration with investors, companies (issuers), regulators, policymakers, and relevant international organizations, can improve their ESG (environmental, social, and corporate governance) performance by promoting sustainable investment, including financing within the framework of the UN Sustainable Development Goals. The organization seeks to realize this vision through a comprehensive program of evidence-based policy analysis, managing a multi-stakeholder network and consensus-building forum, and providing technical assistance and advice.

Conclusions

In summary, the Bulgarian Stock Exchange – Sofia AD (BSE) is a public company that provides banks, investment intermediaries, management companies, pension, and insurance companies, and other companies or individual investors with the opportunity to buy or sell shares of listed joint stock companies, special purpose entities, investment funds, bonds, compensation instruments, and other less popular financial instruments. The main functions of the BSE are:

- Raising capital for business.
- Converting savings of the population into investments.
- Promoting business growth.
- Distribution of business profits.
- Improvement of corporate governance.
- Creating investment opportunities for small investors.
- Barometer of the economy.

In the structure of trading on the BSE, the largest share is occupied by the turnover of the Standard Equity segment – 49.11 % (BGN 30.91 million), followed by the share of turnover of the Alternative Market Equity segment – 20.44 % (BGN 12.87 million) and the MTF BSE International segment – 18.31 % (BGN 15.52 million).

In October, BSE indices showed mixed and weak changes compared to the previous month. The blue-chip indices SOFIX and BGTR30 were up 0.40 percent and 0.04 percent, respectively. The broad benchmark index BGBX40 and the sectoral index BGREIT were down 0.21 percent and 0.60 percent, respectively, year-on-year.

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LABOUR ECONOMICS, PERSONNEL MANAGEMENT AND MARKETING

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ANALYSIS OF DOMESTIC AND FOREIGN PRACTICES IN THE FIELD OF PERSONNEL SELECTION TECHNOLOGIES

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headhunting, target search,
automation

It has been established that the political and socio-economic transformations taking place in Ukraine in recent years accelerate innovation processes in all areas of economic activity, stimulating enterprises to introduce new progressive technologies for the use of all types of resources. It is noted that the personnel is the most important resource of the enterprise, which ensures the efficiency of its functioning to achieve the goal. It was determined that the most important component of hiring employees in Ukraine is professional selection, which largely determines the effectiveness of personnel management. The concept of effective personnel selection is revealed, which is one of the forms of preliminary control of the quantity and quality of human resources. The definition of the concept of personnel selection is revealed. The principles that must be followed when recruiting personnel are specified. The existing stages of personnel selection in Ukraine are characterized. A comparative description of software products for the implementation of the function of personnel selection among those existing in Ukraine is provided. Analyzed the foreign experience of modern technologies of selection and development of the personnel on the application, recruiting, as a methodology of selection of personnel in the management of personnel. Analyzed the method of executive search (target search), which is also called "headhunting". Described the mechanism of working with the applicant. To increase the efficiency of the personnel management process it was suggested to use modern information technologies, especially those that can be used by managers and employees of human resources services when implementing tasks in the selection of personnel, analysis of inter-industry relations in the team, maintenance of personnel databases and which allow to reveal the level of professional qualification of employees, their psycho-physiological parameters, as well as to monitor the dynamics of changes in certain characteristics in order to distinguish those that have deviated from the generally accepted social norms.

АНАЛІЗ ВІТЧИЗНЯНОЇ ТА ЗАРУБІЖНОЇ ПРАКТИКИ В СФЕРІ ТЕХНОЛОГІЙ ПІДБОРУ ПЕРСОНАЛУ

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Ключові слова:

персонал, людські ресурси,
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"полювання за головами",
цільовий пошук, автоматизація

Встановлено, що політичні та соціально-економічні перетворення, що відбуваються в Україні останніми роками, пришвидшують інноваційні процеси в усіх галузях господарської діяльності, стимулюючи підприємства до впровадження нових прогресивних технологій використання усіх видів ресурсів. Зазначено, що персонал є найважливішим ресурсом підприємства, що забезпечує ефективність його функціонування для досягнення мети. Визначено, що найбільш важливою складовою частиною найму працівників в Україні є професійний підбір, який в значній мірі визначає результативність управління персоналом. Розкрито поняття ефективного добору кадрів, що являє собою одну з форм попереднього контролю кількості та якості людських ресурсів. Розкрито визначення поняття підбору персоналу. Зазначені принципи, якими потрібно керуватись при підборі персоналу. Охарактеризовано існуючі етапи підбору персоналу в Україні.

Надана порівняльна характеристика програмних продуктів для реалізації функції підбору персоналу серед існуючих в Україні. Проаналізований зарубіжний досвід сучасних технологій підбору та розвитку персоналу на прикладі, рекрутингу, як методології підбору кадрів в управлінні персоналом. Проаналізований метод Executive search (цільовий пошук), який також називають “полювання за головами”. Описаний механізм роботи з замовником. Для підвищення ефективності процесу управління персоналом запропоновано використовувати сучасні інформаційні технології, зокрема ті, що можуть використовуватися керівниками і фахівцями кадрових служб при вирішенні завдань відбору персоналу, аналізу міжособистісних відносин в колективі, веденні баз даних по кадрам і які дозволяють виявити рівень професійної кваліфікації працівників, їх психофізіологічні параметри, а також простежити за динамікою зміни певних характеристик, щоб виділити ті з них, які мають відхилення від загальноприйнятих суспільних норм.

Formulation of the problem

The political and socio-economic transformations taking place in Ukraine in recent years accelerate innovation processes in all areas of economic activity, stimulating enterprises to introduce new progressive technologies for the use of all types of resources. The personnel is the most important resource of the enterprise, which ensures the efficiency of its functioning to achieve the goal, and its high competence is the main part of competitiveness in the era of the knowledge economy, therefore, in order to increase the educational level of the personnel and maintain the image of the enterprise at a high level, it is necessary to constantly engage in the development of personnel at all levels [7]. Solving this task is possible only through the use of effective management technologies, in particular management in the field of personnel selection. The analysis of the problems of recruitment technologies is little researched. The available studies indicate a number of problems that need to be solved, and this, in turn, suggests a justified choice of organizational forms and methods of personnel selection technologies aimed at obtaining the planned final results in the field of personnel formation. Taking these aspects into account, we can safely say that the topic of this article is relevant.

Analysis of recent research and publications

The information base of the study became the works of domestic and foreign economists: V. P. Galushko, I. Yu. Zhilyaeva, L. O. Mazhnika, I. A. Mishchenko, M. M. Novikova, O. M. Svinyska and others, special economic literature, materials of scientific conferences, periodicals, Internet resources of specialized professional portals, etc.

The purpose of the article is to identify the essence and features of personnel selection technologies, its problematic issues, and to create a set of recommendations for improving activities in this area.

Presentation of the main research material

The most important component of hiring employees in Ukraine is professional selection, which largely determines the effectiveness of personnel management, therefore, in modern organizations, as a rule, due attention is paid to personnel selection. An objective choice decision, depending on the circumstances, can be based on creating an impression of the candidate, the level of his professional skills, previous work experience, and personal qualities. If the position refers to those where the determining factor is technical knowledge, then education and previous scientific activity will have the most important importance. For

managerial positions, especially at a higher level, the main importance is the ability to establish interpersonal relations, as well as the candidate's compatibility with managers and his subordinates. Effective personnel selection is one of the forms of preliminary control of the quantity and quality of human resources [7].

Personnel selection (recruitment) is the process of studying the psychological and professional qualities of an employee with the aim of establishing his compliance with the requirements of the workplace and selecting from the available applicants the one who is most suitable for this workplace, taking into account his qualifications, specialty, personal qualities, abilities, character and interests organizations [8]. The recruitment process is preceded by several equally important and complex processes, such as, for example, assessing the need for personnel, attracting and recruiting candidates, choosing methods and technologies, as well as carrying out the selection procedure, making decisions about candidates, and finally creating a personnel reserve.

The following principles should be followed when selecting personnel:

- 1) focusing on a person's strengths rather than their weaknesses and searching for not ideal candidates, which do not exist in nature, but those who are most suitable for a given workplace or position;
- 2) refusal to hire new employees, regardless of qualifications and personal qualities, if there is no need for them;
- 3) ensuring that the individual qualities of applicants meet the requirements for this job (education, status, experience, and sometimes gender, age, health);
- 4) focus on personnel with high qualifications, but not higher than required by the given workplace; definition of selection criteria, there should be few of them, only the main ones – education, experience, business qualities, professionalism, personality type, physical characteristics and potential opportunities [1].

In most countries with a developed market economy, before making a decision to hire managers and specialists, the candidate must go through the seven selection steps presented in the Table 1.

In modern conditions of rapid development of scientific and technological progress, more attention should be paid to the introduction of automated systems in all production, technological and organizational processes. Automation of management solves many problematic issues, simplifies the functional duties of employees, reduces their workload.

Today in Ukraine there are many software products that can partially or almost completely replace a person in

the management process. Such products can be complex and local. Complex software integrates all functional elements of the enterprise and may contain databases with information and calculations for all subsystems of the enterprise. But, as a rule, complex information systems are expensive and are used only in large enterprises [3].

To choose the most optimal software product, you should first conduct a thorough analysis of existing software on the market and get acquainted with all the advantages and disadvantages of such information systems. An example of such analysis is presented in Table 2, which reveals the essence of the most popular programs used in professional recruitment.

Some programs are used not only for personnel selection, but also for ordinary psychological testing, for its simplification, automation and acceleration. After analyzing the given data, you can choose the most optimal software for a specific situation.

Taking into account the data of the analysis of various systems of the automated recruitment process, it should be noted that the TEZAL software is the most comprehensive and multifunctional, which is an expert system that allows you to choose the best possible candidate.

The system is used by managers and specialists of personnel services in solving the tasks of personnel selection, analysis of interpersonal relations in the team, maintaining a personnel database. It stores information about personal characteristics of people obtained as a result of appropriate testing. The system includes a variety of tests that allow you to identify the level of professional qualifications of employees, their psychophysiological parameters, as well as monitor the dynamics of changes in certain characteristics to identify those that have deviations from generally accepted social norms. TESAL software has a number of advantages among software products of this class, because it combines several important functions

of personnel management, namely the issues included in the scope of the recruitment process [9].

Analyzing the foreign experience of modern technologies of personnel selection and development, we will consider the example of recruiting as a personnel selection methodology in personnel management.

Recruiting is the assessment of candidates for vacant positions or jobs [4].

Personnel selection includes: preliminary interview; analysis of personal data; provision of information about the candidate; verification tests; testing; medical examination; main interview; preparation of an expert opinion.

In large organizations, a permanent position of a recruiter or HR manager is provided, whose direct duties include recruitment [5].

The meaning of the word “recruiting” comes from the French “recruit”, “recruit”, that is, to recruit anyone, to recruit, to replenish anyone, to hire for money. Nowadays, this is the abbreviation for search and selection of qualified specialists on a paid basis. In contrast to employment services, when the agency receives payment from the job seeker, the recruitment agency concludes a contract and, accordingly, receives a fee from the client companies.

The first private service for hire appeared in Germany in the 19th century. At the beginning of the XIX century in Britain and France, recruiting organizations were actively working, which were engaged in both employment and the search for professionals “to order”. The first American personnel service, also known as the “employment exchange”, appeared in 1848 in Boston, Massachusetts.

However, large specialized staffing agencies first appeared in the United States after the Great Depression and especially after World War II, when industry grew and the demand for skilled workers skyrocketed. Recruitment and especially its “elite” – Head hunting originates in management consulting. It is the largest consulting

Table 1 – Characteristics of existing stages of recruitment in Ukraine

№	The name of the stage	Characteristic
1	Preliminary conversation	The main goal is to assess the level of education of the applicant, his appearance and defining personal qualities. As a rule, the preliminary interview is conducted by a line manager or a personnel manager.
2	Filling out the application form, questionnaire	Applicants who have passed the preliminary interview must fill out an application form and a questionnaire. The questionnaire asks for information that affects the applicant’s future work performance. Data from past work and mental composition are requested in order to conduct a psychometric assessment of the candidate based on this data.
3	Interview	The purpose of this conversation is not only to select candidates for the position, but also to advertise the organization by convincing the collaborator of the importance and specificity of the work being promoted. There are several types of interviews: according to a previously developed scheme; loosely formalized and free conversations not according to the scheme.
4	Test	It is a pattern of human behaviour, a source of information that can provide information about on the competencies and skills of the job applicant. Testing helps to form an opinion about the applicant’s ability to his professional and positional growth, the specifics of motivation, the specifics of the style of activity. Tests can test mental abilities, movement and physical capabilities, assess personality and its interests, achievements, and work tasks. Testing is characterized by two parameters: effectiveness of criteria and effectiveness of content.
5	Verification of recommendations and service list	Most companies study and check the information contained in the resume, as well as the recommendations of applicants for the position. Recommendations are verified 100 %, of which 80 % are done over the phone. They find out the motivation and salary of the applicants, their competence, ability to adapt in the team. A background check is useful because it’s an easy way to get information about an applicant – both current and past work.
6	Medical review	It is carried out if the work imposes special requirements on the applicant’s health: work with food products; when it is necessary to prevent admission of persons who are carriers of infectious diseases; when it is necessary to determine the applicant’s ability to perform physical work.
7	Making a decision	This is the comparison of candidates in all respects and their submission to the management, which makes the decision.

Source: [2]

companies and companies of the big six, such as “Deloitte & Touch”, “Ernst & Young” as an extension of the service of their services and to ensure the “correctness” of the implementation of their recommendations, began to purposefully attract high-class specialists to the companies of their clients. The first company engaged in Executive search (search and selection of top managers) was the American agency Boyden, opened in New York in 1946. In 1948, one of the largest recruiting companies Manpower was founded. Now this company has 3600 offices in 59 countries, the number of its clients has exceeded 400 thousand. Manpower is included in the “Fortune’s List” – 100 best corporations in the United States.

Over the past 45 years, recruiting from an activity that is related to business and politics is finally turning into an independent type of business, a market for recruiting services is being formed.

Recruiting as a business develops most intensively in countries that preach maximum freedom of relations on the labor market – in the USA, England, Canada, Austria, Switzerland. All these countries, which have the most liberalized labor market, are “legislators of fashion” in global recruitment, and the local recruiting markets in these countries number tens of thousands of participants [10].

Among the organizations that are among the world’s elite of recruitment should be mentioned Heidrick & Struggles, founded in 1953 in Chicago, Korn/Ferry (since 1969), Egon Zehnder, Ward Howell (1951), Amrop, Morgan Hunt (1986), MRI (founded in 1965). The undisputed leader of the global recruitment industry is Adecco, which now has more than 5500 offices in 60 countries.

Modern recruiting technologies came to Ukraine in 1989–1991, when many foreign organizations began to open and gradually expand their representative offices in the then USSR republics. Large Western companies operating in the former Soviet Union began to look for new sources of recruitment in their representative offices and joint ventures. The management of transnational companies resorted to the services of recruiters in the selection of senior managers. The first Ukrainian recruitment companies appeared in Ukraine in 1992–1993.

Executive search methods are most often used to select the best candidates for management positions [5]. This is often called “headhunting” because the search is usually conducted among people who are currently successfully employed and rarely actively looking for work. Roughly speaking, this is “luring” the best employees to the best companies that are ready to pay for it. Of course, personnel decides everything, and the best personnel must either be searched for carefully and for a long time, or professional recruiters should be paid for this work.

Executive search companies rarely use ordinary advertising and announcements. They have their own secret technology. Fees for such firms in the West start at \$50,000 USA.

For recruitment to mid-level business positions: secretaries, accountants, sales specialists, common search methods are widely used among people who are actively looking for work – advertisements in newspapers and the Internet, database [2].

The work of consultants of recruiting firms mainly consists in reviewing the incoming questionnaires and resumes, screening out obviously unsuitable candidates, conducting interviews with the most qualified and providing the shortest possible list (Short-list) of applicants (3–5 people) to the client company.

As a rule, such services are estimated at 15–25 % of the annual income of the required specialist [10].

Companies use the services of recruitment firms for many reasons. The most often mentioned are: competence and experience of “headhunters”; their expert knowledge of the labor market and “work force”; a large database that has been collected for years; search confidentiality if the company does not want to advertise personnel changes; great saving of time and other resources of the customer.

Mechanism of working with the customer:

1. Help in determining the position and image of the ideal candidate, consultation on the state of the labor market and salaries in the customer’s industry.
2. Use of search resources: databases, Internet, advertising, network of contacts in the industry.
3. Analysis of resumes and documents of candidates.

Table 2 – Comparative characteristics of software products for the implementation of the function of personnel selection among those existing in Ukraine

№	Software name of the product	Characteristics, main functions and tasks of the software
1	THESAL (Automated Personal Thesaurus)	A multifunctional expert system designed to automate the processes of collecting and interpreting information about personal traits, integrating test data and expert assessments. Functions of the program: linguistic support for the psychologist’s work; creation of text interpretations for factor profiles; construction of real and “ideal portraits” of specialists of various professions with the help of expert surveys.
2	PROFPLAN (Interactive career guidance system)	This system is designed to support the counseling work of employees of employment centers, psychologists, vocational counselors, personnel development specialists. Program functions: interactive visualization of the diagnostic profile of the client of career counseling; providing reference information on professions and specialties; training of career consultants (in the mode of training and examination).
3	Computer testing system MAINTEST: CONCOM (Competence constructor)	Allows you to create reports in the form of an individual profile of competencies based on test results for making operational management decisions. It is intended for use by employees of personnel services of organizations that implement modern methods of personnel management, based on the use of the competency model. Program functions: personnel arrangement; competitive selection; drawing up plans for training and development of personnel.
4	Computer system PSI CARD	A system of quantitative express diagnostics for the selection of candidates for typical management and executive positions and for personnel monitoring of employees. Program functions: compilation of job PSI-cards for hiring in accordance with the existing professional profile; adjustment of their criteria to the requirements of a specific organization; storage and comparison of received data; conducting psychological testing of those qualities, the evaluation of which is within the competence of a psychologist; monitoring the success of the professional activity of selected employees using the certification procedure.

Source: [6]

4. Telephone and personal interviews with candidates, assessment of compliance with the position.

5. Psychological testing (if necessary).

6. Verification of recommendations and preparation of conclusions on candidates.

7. Providing the best candidates to the customer, assistance in negotiations and organization of meetings.

8. Monitoring and consultation with the customer during the probationary period of the selected candidate [6].

Although “hunters” act in the interests, first and foremost, of the client firm, consultants must professionally build relationships with candidates and other people with whom they come into contact. Such relationships are built over many years. Often the first contact with a recruitment firm can happen quite unexpectedly. Do not immediately refuse their services, even if the applicant is now satisfied with the work. You should remember the saying “never say never”. It is worth establishing good relations with recruiters, they can still be useful in the worst times. And it is advisable to place your resume in the database long before the onset of such times.

Assessing the prospects for the introduction of modern technologies in the management of personnel development in the practice of domestic enterprises to improve the efficiency of their business, it should be noted that the most attractive employers in the labor market are enterprises with foreign capital. It is obvious that the success of leading organizations of developed countries is primarily due to the creation of highly effective mechanisms of personnel management, which are based on a comprehensive and strategic approach to the use and development of human resources. Taking into account this fact, domestic enterprises need to develop and implement new programs aimed directly at increasing the efficiency of the personnel

function on the basis of foreign experience and modern personnel technologies in the personnel management system. This will make it possible to focus all personnel management processes on solving the company’s strategic tasks, provide attractive conditions for the selection, attraction and retention of the best employees, their professional and personal development.

Conclusions

Therefore, the effectiveness of any process depends on the extent to which a person’s labor potential is developed and realized. Thus, increasing the efficiency of personnel selection of enterprises is not only a means and a condition for the development of social production, but also a priority goal of qualitative improvement of the modern Ukrainian economy.

To increase the efficiency of the personnel management process, it is proposed to use modern information technologies, in particular those that can be used by managers and specialists of personnel services in solving the problems of personnel selection, analysis of interpersonal relations in the team, maintaining personnel databases. Information systems allow to identify the level of professional qualification of employees, their psychophysiological parameters, as well as to monitor the dynamics of changes in certain characteristics in order to identify those that have deviations from generally accepted social norms. Success is ensured by the effective implementation of information technology in the management of personnel development, as well as the active use of recruiting (to perform recruitment functions). Skillful application allows the company to respond adequately to changes in the environment, and therefore to avoid possible losses and steadily increase the efficiency of its functioning.

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PERSONNEL AUDIT IN THE PERSONNEL MANAGEMENT SYSTEM AND METHODOLOGICAL PRINCIPLES OF ITS CONDUCT

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methodology, personnel analysis

The essence of personnel management is determined, which consists in ensuring the development and implementation of personnel potential. The definition of the concept of "personnel audit" is given according to various scientists. The directions of the personnel audit and its main goal, which is the long-term growth of personnel efficiency are determined as the main resource of the organization. It is noted that personnel audit appears as a method of controlling the effectiveness of personnel management systems. It has been analyzed that new effective personnel management methods and systems are implemented on the basis of personnel audit. The events and situations that it is advisable to conduct a personnel audit are identified, among which the reorganization of the enterprise, the rationalization of the management of branches and separate divisions of the enterprise, the assessment of the personnel potential of the enterprise, the resolution of issues related to the company's investment, etc. are highlighted. A comparison of internal and external personnel audits was made, their advantages and disadvantages were highlighted, which must be taken into account when deciding on the appointment of auditors. The methodological principles of conducting a personnel audit are specified, which are based on the definition of the audit object, audit subjects, the purpose and tasks of the personnel audit, in accordance with which the auditor selects a set of tools from a number of methods and approaches, the qualitative and quantitative state of the personnel, the effectiveness of its use, determination of the level of staff composition and structure of the production program of the enterprise and its general strategy. The stages of the personnel audit were analyzed, based on the results of which it is possible to evaluate: the staffing ratio and the need for personnel, the quality structure of the management personnel, the need for training, management styles, the socio-psychological climate, innovative potential, the main sources of resistance to changes, the distribution of personnel within the organization. Attention is focused on the fact that the variety of methodological tools allows the auditor to get a thorough conclusion about the personnel management system at a certain enterprise in a certain period of time.

КАДРОВИЙ АУДИТ В СИСТЕМІ УПРАВЛІННЯ ПЕРСОНАЛОМ ТА МЕТОДОЛОГІЧНІ ЗАСАДИ ЙОГО ПРОВЕДЕННЯ

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Ключові слова:

система управління персоналом,
кадровий аудит, персонал,
аудиторська перевірка,
методика, аналіз персоналу

Визначено сутність управління персоналом, що полягає у забезпеченні розвитку та реалізації кадрового потенціалу. Надано визначення поняття "кадрового аудиту" за різними науковцями. Визначено напрями кадрового аудиту та його основна мета, яка полягає у довгостроковому зростанні ефективності персоналу як основного ресурсу організації. Зазначено, що кадровий аудит постає як метод контролю ефективності систем управління персоналом. Проаналізовано, що на основі кадрового аудиту впроваджуються нові ефективні методи та системи управління персоналом. Визначено події та ситуації, які доцільно проводити кадровим аудитом, серед яких виділено реорганізацію підприємства, раціоналізацію керованості філій та відокремлених підрозділів підприємства, оцінку кадрового потенціалу підприємства, вирішення питань щодо інвестування компанії

тощо. Здійснено порівняння внутрішнього та зовнішнього кадрового аудиту, виділено їх переваги і недоліки, які необхідно враховувати при ухваленні рішення про призначення аудиторів. Визначено методологічні засади проведення кадрового аудиту, що ґрунтуються на визначенні об'єкта аудиту, суб'єктів аудиту, мети та завдань кадрового аудиту у відповідності до який аудитором обирається сукупність інструментарію з низки методів та підходів, якісного та кількісного стану персоналу, ефективності його використання, визначення рівня складу та структури персоналу виробничій програмі підприємства та його загальної стратегії. Проаналізовані етапи аудиту персоналу, за результатами якого можна оцінити: коефіцієнт кадрової забезпеченості та потреба в персоналі, якісну структуру управлінського персоналу, потреба у навчанні, стилі управління, соціально-психологічний клімат, інноваційний потенціал, основні джерела опору змін, розподіленість персоналу у межах організації. Зосереджена увага на тому, що різноманітність методологічного інструментарію дозволяє аудитору отримати ґрунтовний висновок щодо системи управління персоналом на певному підприємстві за певний відрізок часу.

Formulation of the problem

Currently, under the changing conditions of operation and organization of the activities of commercial organizations, the problem of formation and development of the personnel management system as a tool for increasing the efficiency and effectiveness of the commercial activities of organizations and enterprises of various forms of management is becoming more and more obvious. In conditions where the main factors of competitiveness are the availability of labor, the degree of its motivation, satisfaction with working conditions, which determine the effectiveness of the use of personnel, the issues are becoming increasingly important of a new understanding of the essence of the company's personnel and a new understanding of the personnel management system, its interaction with other structural systems, elements that ensure the efficient operation of enterprises. Such a situation has accrued, which allows us to assert that under the influence of economic, political, legal and social transformations in the activities of various organizations and enterprises, which are becoming more and more commercial in nature, an objective need has arisen not only to clarify the active function of personnel, but also to provide a management system personnel with new properties and qualities that ensure the efficient operation of enterprises. The modern system of personnel management is a system of ideas and methods of effective construction and management of organizations, which is formed under the influence of the realities of business life in developed countries and includes such elements as: the ability to deal with people; search for necessary professionals; training of employees and their certification; selection of candidates to work; study of professional orientation of personnel; evaluation and development, transfer and rotation of personnel. In this regard, the issue of practical application of modern forms of personnel management, which permit to increase the socio-economic efficiency of any enterprise, is becoming particularly relevant, therefore the task is to increase the efficiency of personnel management in order to ensure the competitiveness of the enterprise, which can be solved by building a system of complex personnel audit.

Analysis of recent research and publications

The information base of the research was the works of domestic scientists and economists, including: A. M. Kolot [5], O. V. Krushelnytska [6], N. M. Slivinska [11] and other scientists, special economic literature, materials of scientific conferences, periodicals, Internet resources, etc.

The formulation of the goals of the article is the substantiation of the essence of the personnel audit in the personnel management system and its methodological foundations and the development of a set of recommendations for improving its activities.

Presentation of the main research material

In general, an audit is understood as an independent verification of the accounting (financial) statements of the person being audited, with the aim of expressing an opinion about the reliability of such statements. Also, an audit is a procedure of independent assessment of the activity of an organization, system, process, project or product [2]. Also, the meaning of the concept of "audit" is determined from Latin, as *auditus* – listening, eavesdropping; auditor – listener. So, some kind of listener (auditor) carefully listens to the client who talks about his affairs and, if possible, helps in solving some problems. The main approaches to defining this concept are presented in Table 1.

Analysis of the definitions from the Table 1 shows that the essence of the audit is interpreted by researchers in different ways. In some definitions, it is emphasized that the audit involves conducting an examination, in other definitions, attention is focused on its ultimate goal, which is to increase the efficiency of the organization. The studied concept is complex and multi-component, interpreted as an independent method (similar to the method of examination), has such mandatory characteristics as complexity, purposefulness and practical significance.

Thus, Hranit O. defines audit as a type of professional activity of independent research and assessment of the results of the organization's activities (or its specific directions) and, on this basis, the preparation of recommendations and proposals for its improvement [2].

In the modern practical activity of consulting companies that provide personnel audit services, several

Table 1 – Content of the concept of “personnel audit”

Author	Content of the concept	Essence of the concept, key words
Hrab M. B. [1, p. 48]	A system of consulting support, analytical assessment and independent examination of personnel potential of the organization	System of support, assessment, expertise
Symochko M. I. [10, p. 279]	The process of a comprehensive analysis of all elements of personnel management of the company, ways of interaction of all participants in this process, the order of setting tasks, the order of work execution and reporting	Analysis process
Slivinska M. N. [11]	Periodically carried out expertise in the field of personnel management, which includes a set of measures for collecting information, its analysis and evaluation based on the received data on the effectiveness of the use of the labor potential of the enterprise in accordance with its development strategy, and even the development of a program of organizational changes related to personnel work	Expertise
Krushelnytska O. V., Melnychuk D. P. [6, p. 88]	A complex formalized method of long-term improvement of the efficiency of organization through the improvement of personnel management systems, the increase in the efficiency of the formation and use of labor potential, which reflects the requirements of objective and professional attention to situational conditions by its characteristics	Method of increasing efficiency

approaches to the definition of personnel audit have developed. Many companies settled on the following definition: a personnel audit is a complete check of internal personnel documentation regarding its compliance with the requirements of labor legislation and personnel records, development of algorithms for personnel document flow, documentation (personnel documents) of admission and dismissal, evaluation of the quality of employees and personnel management system [5, p. 249].

The most expedient in modern practice is the following definition of personnel audit as “comprehensive evaluation of human resources and the personnel management system for their compliance with the goals and strategy of the company, as well as the identification of the causes (with an assessment of their impact and significance) of problems in the functioning of the company, with the following recommendations on aligning the human resource management system and/or human resources to the needs of the business.” This definition of personnel audit combines such concepts as management audit, personnel audit, personnel documentation audit and social audit.

The personnel audit is aimed at analyzing the local acts of the enterprise, the rules of the internal labor procedure, the collective agreement, the regulations on wages, the regulations on bonuses for compliance with the legislation; analysis of the content of orders regarding the establishment of flexible and remote working hours, control of the presence of mandatory log registration forms, etc. The main goal of personnel audit is the long-term growth of personnel efficiency as the main resource of the organization [6, p. 252].

Personnel audit appears as a method of monitoring the effectiveness of personnel management systems. On the basis of a personnel audit, new effective methods and systems of personnel management are introduced, therefore, it is advisable to conduct a personnel audit in the following cases:

- 1) during the reorganization of the company; when rationalizing the management of branches and separate divisions of the enterprise;
- 2) in the assessment of the personnel potential of the enterprise;

- 3) when deciding the issue of investing in the company, etc.

In this regard, the following expected results of the personnel audit can be highlighted:

- 1) identification of the main personnel problems;
- 2) development of programs to optimize costs for company personnel management;
- 3) assessment of the degree of conformity of the existing structure and the number of personnel to the organization’s tasks;
- 4) identification of critical points and risk zones in the existing personnel management system;
- 5) assessment of staff readiness to implement the goals and objectives of the organization;
- 6) identification of obvious, hidden and potential sources of threats and risks related to personnel;
- 7) identifying the sources of problem and conflict situations;
- 8) development of a recommendation for optimizing and increasing the efficiency of the company’s human resources management [9, p. 169].

The content of the personnel audit depends on the object of the audit. Subjects of personnel audit can be external or internal auditors. When the auditors are company employees (for example, personnel management department specialists or a specially created project group), this is an internal personnel audit; or the auditors will be consulting companies or personnel agencies that provide a personnel audit service – in the case of an external personnel audit.

In the Table 2 presents the comparative characteristics of these types of personnel audit from the point of view of the executors.

Thus, it is necessary to take into account the indicated advantages and disadvantages of these forms of personnel audit when making a decision on the appointment of auditors. In addition, in various sources, the concept of “personnel audit” is found alongside the concept of “personnel audit”, but these are not identical concepts, because the essence of a personnel audit is a set of measures to assess the effectiveness of the personnel management system operating in the organization, while a personnel

audit is aimed at determining, assessment of the personal potential of employees and compliance of employees with the company’s corporate culture and values.

Table 2 – Comparative characteristics of internal and external personnel audit

Type of personnel audit	Advantages	Disadvantages
Internal personnel audit	Auditors are better acquainted with the specifics of a particular enterprise	Auditors are not personnel audit specialists; the possibility of an unbiased assessment; the possibility of interpersonal conflicts for the enterprise
External personnel audit	Auditors are professionals in personnel audit; auditors are objective in their assessment	Auditors are not familiar with the specifics of the enterprise

Source: [3, p. 92]

Therefore, the essence of personnel management is to ensure the development and implementation of personnel potential. A personnel audit is a comprehensive measure to assess the effectiveness of the personnel management system operating in the organization. Personnel audit is a modern tool for assessing the effectiveness of personnel and processes in the socio-economic environment of the organization. Its ultimate goal is to improve the work of the staff. For this, the auditors present the organization with a report containing recommendations on the results of the analysis of the organization’s needs, available human resources, punishment measures, incentives and motivation [7, p. 112].

Therefore, the auditor is primarily interested in the following:

- compliance of personnel and management processes with the goals of the organization, which relate to strategic directions of development and directions of technology development and support of the technological level of production;
- accordance with the planned processes of the activity of the company and the efficiency obtained from the built organizational structure;
- qualitative and quantitative analysis of the composition and structure of personnel in order to identify all personnel reserves for the achievement of strategic and operational plans of the enterprise.

These main areas of personnel audit are diagnosed according to a certain phasing of the procedures. So, the stages of personnel audit are as follows:

Stage 1. Preparatory. At this stage, the objectives of the audit are defined, the selection of personnel for the audit is carried out, internal organizational documents (orders, instructions) are developed, deadlines, tasks, executors and participants of the audit are determined, executors and participants are briefed, a plan for the collection, provision and consideration of the analyzed data is composed.

Stage 2. Stage of information gathering. In the process of collecting information, personnel are monitored, documentation and reporting are checked, observations, surveys, questionnaires, interviews are conducted, statistical data are pre-processed. Computer equipment and modern information technologies allow speeding up and qualitatively completing these procedures.

Stage 3. Stage of information processing and analysis. The received information is processed and formalized in the form of tables, diagrams, graphs, charts, and then, according to the developed algorithm, data on personnel activities are analyzed and evaluated by comparison with other similar organizations or scientifically based norms.

Stage 4. The last stage. At this stage, a report on the results of the audit is prepared, conclusions and recommendations are formulated regarding the rationalization of personnel work and the improvement of personnel service of the organization [8, p. 114–115].

According to the results of personnel audit, it is possible to evaluate:

- 1) staffing ratio and the need for personnel;
- 2) quality structure of management personnel;
- 3) the need for training;
- 4) management styles;
- 5) socio-psychological climate;
- 6) innovative potential;
- 7) main sources of resistance to changes;
- 8) distribution of personnel within the organization.

Also, for an effective assessment of personnel, it is necessary to choose a suitable methodology based on the objectives of the inspection and its main tasks. Types of personnel evaluation can be divided into groups according to such criteria as frequency of conduct, completeness of coverage, methods of analysis, level of audit, methods of personnel evaluation (Table 3).

Therefore, personnel audit is very important for any enterprise, because the effective development of any enterprise requires constant improvement of the level of competence and qualification of its employees. A full-fledged, competent personnel audit is the main means of controlling the personnel situation at the enterprise, and the result of such an audit is a reduction in personnel turnover, an increase in labor productivity, the identification of the need for personnel training, and savings in the search for new personnel.

Conclusions

Thus, the personnel audit in the personnel management system of the enterprise is designed to evaluate the personnel management system itself in general and in combination with the general management system of the organization. It permits to give a qualitative assessment of the labor process, the regulation of labor relations, and the efficiency of the use of labor potential and, as a result, to improve the quality of management decisions.

Personnel audit is a necessary component of the management system of any organization, especially in the conditions of a market economy. The existing difficulties in its implementation significantly reduce the effectiveness of the personnel audit results, and the

Table 3 – Types of personnel evaluation

Sign of classification	Type of personnel audit	The main characteristics
Frequency of conducting	– Current. – Operative. – Regular. – Panel.	– It is carried out according to a pre-established schedule for a certain period of time. – It is carried out according to the operative order of the management. – Conducted at certain intervals. – It is carried out with a certain periodicity, with the same methodology and tools, on the same groups of people and the same objects.
Complete coverage of the studied objects	– Full. – Local.	– Covers all objects. – Covers a separate group of objects or one object.
Methodology of analysis	– Thematic. – Complex. – Selective.	– Includes all objects, but from the same subject. – Uses the entire arsenal of methods. – The analysis is carried out with workers who were selected according to a special methodology.
Conduct level	– Strategic. – Management. – Tactical.	– The assessment is carried out at the level of senior management. – The assessment is carried out at the level of line managers. – The assessment is carried out at the level of the personnel management service.
Method of inspection	– External. – Internal.	– It is carried out with the help of external specialists. – Conducted by employees of the organization.

Source: [12]

proposed recommendations will allow to improve the procedure for its implementation, and, therefore, to increase the effectiveness of the enterprise at the expense of the personnel component. Personnel audit is a regular, multi-stage and step-by-step process, its essence is constant observation, not periodic measures. The question of specifying methodical approaches and personnel audit procedures requires further research.

The methodological principles of conducting a personnel audit are based on the definition of the object of the audit, the subjects of the audit, the purpose and

tasks of the personnel audit, in accordance with which the auditor (consultant) selects a set of tools from a number of methods and approaches to the diagnosis of the state of managerial work in relation to personnel, quality and the quantitative status of personnel, the efficiency of its use, determination of the level of composition and structure of personnel, the production program of the enterprise and its general strategy. The variety of methodological tools permits the auditor to get a thorough conclusion about the personnel management system at a certain enterprise in a certain period of time.

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GENESIS OF MARKETING CONCEPT TRANSFORMATION IN MANAGING THE COMPANY

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Key words:

marketing, concept, management, stages, methods, consumers, demand, proposal.

We have examined formation of marketing worldview genesis. This work has identified factors influencing formation of marketing policy in the world economy. This study outlines international legislation that regulates and ensures compliance with concepts of human rights in the context of company's marketing concept formation. Article research outlines the problems of neglecting people's rights and its consequences in the form of adverse economic impact on the business activities of enterprises, society, the state and formation of the international market environment. We provided an insight to a historical analogy and chronology of events regarding the loss of business reputation by russian companies and its citizens. Article provides an overview of interference of russia onto the influence of disruption of economies around the globe, Ukraine's economy and various other individual countries's economies. We drafted an overview of russia's violations that it has been doing to upset ecological balance in the world and its various solicitations in doing business. The truth has been revealed about russians who have created a nuclear threat to the whole world. A certain code of global business conduct is outlined that facilitates business making without discrimination based on various characteristics of a person's personality traits, however taking into account the true facts regarding the criminal crimes of russians against humanity, which thereby emphasizes how in turn russians themselves striped away from themselves their own privileges of equality in business and became a lower level animal of animal kingdom as opposed to all mankind; as well russians took away their own equality rights as people before all nations and races of the world when building marketing steps to sell goods and services. Conclusion has been delivered that company's managers should form a strategy of socially responsible business conduct taking into account the interests of employees for the financial benefits of the company and solving social skills problems of employees. Additionally, we proposed a concept of "Soft Language" for the sales department in present day's conditions as a product marketing tool. Finally, this article proposed directions for channeling marketer's energy, aiming for the expansion of sales of products or penetrating into new markets.

ТРАНСФОРМАЦІЯ МАРКЕТИНГОВОЇ КОНЦЕПЦІЇ В УПРАВЛІННІ ПІДПРИЄМСТВОМ

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Ключові слова:

маркетинг, концепція, управління, етапи, методи, споживачі, попит, пропозиція.

Дослідили генезу формування маркетингового світогляду. Визначили чинники, які впливають на формування маркетингової політики у світовій економіці. Окреслено міжнародне законодавство, яке регулює та забезпечує дотримання концепції прав людини в розрізі формування маркетингової концепції підприємств. Викреслено проблеми нехтування правами людей і їх наслідки у вигляді негативного економічного впливу на діяльність підприємств, суспільства, державу та формування інтернаціональної кон'юнктури ринку. Проведено історичну аналогію і хронологію подій щодо втрати російськими компаніями і громадянами своєї ділової репутації. Здійснено огляд впливу росії на порушення світової економіки, економіки України та втручання у економіку окремих держав. Здійснено огляд впливу порушення росією порушення екологічного балансу у світі та створенні перешкод у веденні бізнесу. Висвітлено правду про росіянців, які створили ядерну загрозу всьому світу. Окреслено окремі питання світового ведення

бізнесу без дискримінації за різними ознаками особистості людини, але із урахуванням правдивих фактів щодо кримінальних злочинів росіян відносно людства, що тим самим підкреслено як, у свою чергу, самі ж росіяни відібрали у самих себе привілею рівності у бізнесі і стали на нижчу ступінь тварин від всього людства, а також, що, у свою чергу, забрало їх права людей у рівності перед всіма націями і расами світу при створенні маркетингових кроків продажу товарів та послуг. Зазначено, що менеджери компаній повинні формувати стратегію соціально-відповідальної поведінки ведення бізнесу з урахуванням інтересів працівників задля фінансової вигоди підприємства та вирішення проблем працівників розуміння соціуму. Запропоновано концепт м'якої мови для маркетингової служби в умовах сьогодення як інструмент товарного маркетингу. Запропоновано напрями спрямування енергії маркетолога із метою розширення ринків збуту продукції або виходу на нові ринки.

Problem statement

The biggest problem of modern companies is the inability to recognize true business ethics and quickly adapt to its constant development. The inability to adapt to the ever-changing world and legislation leads to chaos in the evolution of companies; financial losses; rapid and constant change of personnel, which leads to loss of time during training procedures; unstable development; regression in taxation or in the impossibility of implementing state monetary projects; inability to keep up with planned volunteer work; slow regression in building family relationships (due to additional working hours); the inability to hire the right people for work, which leads to general decline of economy in the country; regressive impact on the world's economy; inability to influence the legislation of other countries, which should benefit one's own business and the lives of ordinary citizens; decrease in the general quality of life and many other adverse consequences.

Analysis of recent research and publications

The work performed by the company has several directions, such as: finding new customers, sales, production, delivery, aftersales service, process improvement and repetition of the production and sales cycle [1, p. 1–2]. Personality development makes a great contribution to the formation of a person's purchasing habits, health and consumer intentions for the future, this trend is clearly highlighted by the paradigm performed in many different articles, starting with Maslow's pyramid or i. e. diagnostic and statistical manuals of mental disorders (practical parts DSM-IV-TR) or even from the latest study in the edition of "Research of the Zaporizhia National University" Economic Sciences magazine, in the article "Improving organizational-economic, humanitarian and other mechanisms of formation of entrepreneurial culture and personality" [1, p. 3].

Domestic scientists like B. M. Andrushkiv, Cherep A. V., L. M. Melnyk., and others, in their article "Improving organizational, economic, humanitarian and other mechanisms for the formation of entrepreneurial culture and personality" paid attention to the problems of forming an entrepreneurial culture for the strategy of further development of the enterprise in both directions at internal and external markets [1, p. 4].

The research direction of this article will explore the simplest basic things like human rights and basic human behavioral instincts. Balazh P., Sterbova L., Seldakova G., Kuk D., and others, in their scientific work "International Marketing" ("International Marketing" 2010), have revealed the essence of business development at the current state of European integration, as well they have also separated marketing as the basis for managerial decisions making process [2, p. 10–50].

A part of this article is devoted to processing fears of an individual (a potential client of the company) into the intellectual strength of the enterprise. Before starting any sale of a product or service, the company should investigate the fears of target customer, both an individual and collective type of intended groups of consumers, as well as it should look into own employees and uncertain consumers in order to be able to explain how any company can reach for the top level of sales of goods and services.

Shifting the analysis of customer fears to the "company's fears" or company's intellectual strength will be only a critically and exclusively hypothetical axiomized with the intention of developing the author's thinking and the requirements of the university for the potential development of theoretical thinking, but in no case does a company in business practice have the right to have fears before the beginning of any type of work which it is about to be performing. Fears of company's employees or lack of confidence in their part of job can lead to big problems and, of course, not only financial ones. A business should not start any work when there are significant risks or fears before starting the work, thereafter it is better to shut down the business entirely at any stage if the management has received a warning signal about "starting of an uncertain move", rather than to start producing and get many problematic cases. Even if your decision will not only lead to the bankruptcy of the company, but also force you to change the type of business activity, but at the same time you will keep your reputation, both your own and the company's, then it is much better to close the campaign and start over rebuilding everything again from a scratch.

Uncertainty and fears are the client's privilege, but not the business's. Practical approach dictates that an enterprise it is such an institution that has no right for inappropriate delays or making mistakes. The enterprise should work

only reliably, adequately, planned, humanely and, first of all, legally safe for itself. Self-employed managers are kind of informal micro-arbitration judges, who sometimes have to make not only unpopular decisions, but also decisions that will bring financial losses to their own company, simultaneously protecting their company, ensuring a high level of product and service quality, and saving the company's impeccable reputation in the long run. Online company by the name "Ted Talks" show examines in its research scientific findings of the latest theory and practice of enterprise management, which confirm the necessity of making unpopular decisions by the management [3, p. 1–5].

The task of the article is to develop the directions of the company's marketing service from the perspective of the consumer's philosophy, taking into account needs, requirements for the level of product and service quality, delivery terms, branding and product or service localization, according to the traditions or whims of a particular nation or nationality.

As a result of the genesis (transformation) of marketing or the main research prioritizing that at the academic and practical levels should be in the form of human rights activism (the study done by the company "Navis Stella" in the translation of the article "Human Rights of the Earth") [4, p. 1] and its impact on sales in the form of a partnership other two factors such as: business ethics and tendencies of whims of buyers in relation to their mental health deviations [5, p. 15–45].

Customers' perception of "Soft Language" is represented as a tool for researching the company's potential clients as part this study [6, p. 1].

The research of the union of scientists (more than 160 scientific co-authors), starting with Robert Spitzer and Miriam Gibbon in the field of psychiatry and the treatment of patients with disabilities of mental development of people, investigated the psychoneuropathology of the occurrence of individual cases of patients' diseases and the ways of their treatment in the work "Case Book DSM-IV-TR (2002)" [5, p. 1–577], alongside with the co-research of Mrs. Cook and colleagues [2, p. 1–190] in "International Marketing" allowed us in this article to draw a parallel between the subconscious addictions of the company's customers habits and their manner of goods and services consumption with the possibility of working out the marketing vector for managing the enterprise, guided by the input signals coming from the company's consumers.

Mental health disorders are fundamental triggers that lead a person to purchase a product or service, whether a short-term decision in the purchase of consumer goods or a long-term decision such as a multibillion-dollar investments in illiquid assets of production equipment, materials or real estate. Any decision that involves spending money that are not for a minimal set of goods or services for persons' survival, but for creation a comfortable life indicates a lesser or greater degree of an individual personality disorder. This statement applies to the majority of the population who suffer from the impulsiveness of consuming goods and services that

they do not need or to which they create a self-invented illusory or delusional importance of existence in their life, hidden by their own subconscious.

Fears are the privileges of the client, who spends his or hers money where he or she wants and when he or she wants. Therefore, clients in the company, as long as they follow the directives and rules of the internal policies of the company and the laws of the state, are not just bosses, but also "Gods" of business. "Gods" in business are allowed to have little quirks, for example: anxiety, small panic attacks, fears, insecurities, deviations disorders of mental state of mind, defects of sight, hearing, speech, communication, movement, smell, uncontrolled sporadic or impulsive mood attacks, preferences in choosing a sexual partner or several, in choosing a religion, in choosing the use of free time, in the privacy of one's own data, in the choice of a company with which he or she will spend their financial opportunities, in the choice of the number of partners and the amount of private property to be purchased, in the choice of the variety of things to purchase, in the impulsive-compulsiveness of consumption of goods and services or in the opposite in choice of stagnant acquisition of goods or services, in the choice of citizenship and place of residence, in the choice of moving around the world, in the choice of employment or self-employment, etc.

Many customers have a mild form or even no disease in the impulsiveness of consumer decision-making, but the system prompts a perfectly executed marketing campaign to catch the slightest impulse or breath of air from the customer in the direction of buying a product or service and then the marketing system (not even a human resource anymore, but an informational field) does its work and does everything necessary to make the client to do what he or she came to the business for: make a purchase, leave his or hers money at the point of sale. (A vivid example of impulsiveness and uncontrolled consumption of goods is an example of Mrs. Ellen Farber case [5, p. 395–398], as well as a separate study of the marketing strategy of the enterprise done by Engineer Denys Reva.)

The main research material

Respect for people and human rights is the key to the success of the company's financial benefits. In 1949, the United Nations organization has created a universal bill (concept) of human rights that puts all people on the same level with equal opportunities and introduced a ban on discrimination.

When forming the mission of the company, it is mandatory to comply with the laws. Disrespecting or implicitly intimidating minorities will bring your business to a disastrous end in one way or another (i. e. gays, lesbians, transgenders, blacks, Asians, dwarfs, giants, non-religious, crippled, etc.). The problem of neglecting people's rights will lead to:

- the beginning of the collapse – there will be one or two bad reviews on the Google business page;
- loss of customers, which will lead to the closure of business directions activities;
- slight discoloration on the company's rating stickers;

- lowering the position in search line from the first five companies on the list to the first in between 20th–400th one on the list;
- other companies with better reviews and ratings will take your place on the list;
- more real customers will turn to competitors;
- users who called 5-star services will no longer see in the list recommended for them the company, because the automated system moves it down the list;
- the estimated 80 % of customers left out of 100 % will stay not for business purposes, but to find nasty things about you in the comments section under the bad reviews filter – just for fun or out of a curiosity.

The Geneva Convention on Human Rights and many other accompanying acts, bills, orders, competences and other documents were written over the last 70 years. These human rights acts and documents guaranteed equality both in life and in business for all people of all nations, but russian companies, enterprises and people lost that privilege. Since the beginning of 2014 and since February 24, 2022, people from russia have discredited their own reputation due to repeated murders and tortures of Ukrainians and other nations, such as public executions of British people in the occupied city of Donetsk. Discriminating against russians is a “OK” after the horrors they brought on throughout genocides against many peoples. These russians are hidden terrorists and we observe this throughout the history of russia, starting with Ukraine: 1) 1921–1923 famine/genocide, 2) 1931–1932 famine/genocide, 3) 1945–1946 famine/genocide [7, p. 1], 1945–1991 (inability to travel abroad (communism/prison lifestyle), 1991–2014 (infiltration of power and sabotage (bringing recidivist convicted criminal) mr. Yanukovich and his team to power to steal from people), 2014–2022 (russians stole 3 territories (Luhansk, Donetsk, Crimea 2014) russian companies lost their reputation. Also, the russians built the Kerch bridge, which was an illegal, solicited and not agreed with the Ukrainian authorities, thereafter it has created an environmental and transport disaster in the world. Another examples would be the problems that the russians made in: Abkhazia (Georgia – occupied by the russians since June 1, 2010) [8, p. 1]; Koenigsberg (occupied by the russians from 1946–2022 to present day) [9, p. 1–2]; Moldova (occupied Transnistria by russia since 1990) [10, p. 1]; war in Northern Syria [11, p. 1]; russian problems in Turkey and northern Syria [11, p. 1–2]; they have created problems in Israel, in Japan (the russian-occupied Kuril Islands, the current official treaty of war in between russia and Japan since August 1945) [12, p. 1]; war in North Korea (genocide of North Koreans) 1950–1953 war – 2022 nuclear influence (constant threats), illegal production of drugs in North Korea [13; 14; 15, p. 1–2]; Finland, the war with the russians in 1939–1940 led to a violation of the world balance [16, p. 1]. On April 10th, 2010, the plane “Tupolev Tu-154, which was performing flight 101 of the Polish Air Force was shot down by the russians near the russian city of Smolensk, where all 96 people on board were killed at once” [17, p. 1]. A Malaysian plane was shot down by a russian “BUK” machine over Donetsk city on July 17, 2014, when 298 people were

killed by the russians at once, with one shot) [18, p. 1]. A war was also unleashed in Dagestan [19, p. 1] (deadly murders done by russian soldiers of people and children of Dagestan “where all people above the wheel hight of a horse ride were sentenced to murder”, December 11, 1994 – August 31, 1996, and August 7 – September 14, 1999); Afghanistan (Soviet-Afghan War (1979–1989)); genocide of Belarusians (presidential elections in 2020 and war (“special military operation of russia”) and war against the Belarusian language (genocide of Belarusians) [20, p. 1–2]); Kazakhstan (war (“special military operation”) of 2022, while the russian official version is to enter the country with military “peacekeeping” troops, which were in fact a regular army that invaded and killed local people to maintain russian power over the state and held the Kazakh people under russian genocide, which led to the killing of Kazakhs by russians and disruption of trade and business relations on the international level) [21, p. 1–3]. Also, the russians send installed terrorist self-propelled self-guided rocket bombs, send self-propelled bombs in rockets to civilian buildings in many countries, including Ukraine, to get military advantage and plunder, loot, rape women, children and men. Also, the russians desire blood and violence, they try to mask all bloodthirsty and bad actions under the “movement of salvation”. And the russians are also responsible for prison tortures and tortures of Ukrainians in the occupied territories. These russians are lying through their teeth and have become outcasts since 2014 in Ukraine, but they have already gone crazy sending bombs to Ukraine since 2022, which is a testament to the imperial ambitions of the entire russian people.

Therefore, we consider it is adequate to cover the truth about the russians as murderers and rapists of children, so that they do not carry out numerous nuclear threats on their official channels, regarding the end of the entire existence of humanity. And the russians are also guilty of lobbying the governments of less developed countries into subjugation and colonial wars for land before modern society. Warning: You should be careful with russians, as they are also notorious for stabbing loved ones in the back [22, p. 1–16].

If a company does not follow all current trends and social standards and has a bad business reputation, then any of hard business efforts will not matter because customers will not want to be associated with such a company. Sales will fall, business will decline, advertising will become ineffective, employees will subconsciously drag the company into regression due to lack of interest in cooperation or development.

The manager of the company should form a strategy of social responsibility of the enterprise. Management may conduct internal testing of persons who wish to get a job within the company. The company has the right to refer employees to mandatory health tests. All these and other activities shape the thinking and behavior manners of the company employees, who in turn become the face of the firm, at a time when management cannot be present to conduct marketing during sales or other operations with the company’s customers.

The best way to influence the response of staff is to verbally communicate and verbally agree and get employee's signature on the rules of the code of conduct instructions, which he or she can review at any time while working with the company. These actions reduce management risks of the enterprise in the long term and improve relations with customers.

Losing a good customer who is black or Asian or homosexual or a woman who used to be a man and vice versa etc. is unacceptable. A customer, regardless of his or her race, religion, health, height, age, number of limbs, skin color, or national origin, should not be discriminated against (study from the 1964 Labor Declaration and Labor Code article of the United States of America) [23, p. 1–10].

The company's honesty should bring more popularity and more trust among new clientele, and therefore more cash flow, which, accordingly, should increase the financial profit received by the company in the current period and in the long run.

We consider it is expedient to refer to the paradigm of a comfortable existence in a civilized society and the shortcomings that arise from the desire for a free life. Mr. George Carlin explains how companies change the language they speak to create a soft image for the business in the market, or how to make a soft (favorable) company appearance in the eyes of the consumer, or the "Soft Language".

Mr. Carlin talks about euphemisms, words that hide the reality, the true nature of things, but do not deceive a person or a group of people. Businesses do not lie, they do not hold on to words, but they only sweeten the existing reality to increase the sales, so that customers perceive trademarks, brand products more quickly, more easily, worryless, more loyally to the products, less demanding of companies or their products, etc. All that is suitable for the marketing department and it is promoting the immediate sale of goods and services.

A third party that could try to cling in and provide the necessities of life would be the church or the government, but these two extremes are as bad as they get. The Church proved its business failure during the Inquisition of 1184–1834, when people were executed for many ridiculous reasons, for example, because they wore beautiful dresses, or were beautiful, or were Jewish or Muslim, or were clairvoyant, etc. [24, p. 1–2]. The Church is not able to take care of the economy and business because of hypocrisy, lack of education in business, greed, sexual contact with minors (Catholic Church) [25, p. 1–10], etc. No church is equipped to do good marketing and business in all countries.

The government on the other hand is unable to provide the best services in the world market exclusively without privately owned companies. There are many examples, starting with Russia, the USSR, North Korea, etc. [26, p. 1–2].

The government is taught to negotiate internationally in order to keep the population under control and ensure an acceptable level of "happiness". Thus, it can be assumed that government is not created to perform business, but more to create rules for its comfortable existence.

It is established that business must be conducted by the private sector through private ownership and in accordance

with the state laws. Codes of conduct should be regulated by the government and quality control institutions.

Mr. Carlin presented us with the following marketing pun structure:

The state of the nervous system in war, when a person is about to break down from adequate behavior due to a nervous breakdown, is divided into several parts:

- "Shell shock" World War 1 (2 syllables);
- "Battle Fatigue" World War 2 (5 syllables);
- "Operational Exhaustion" Korean War (10 syllables) – "the phrase no longer has humanity it";
- "Post-traumatic stress disorder" – Vietnam War (10 syllables and a hyphen).

These sentences gained more and more syllables in their pronunciation, but at the same time meant the same condition. In similar manner, text is added in marketing to describe the same product. The softening of the pronunciation should have been justified by the fact that it eases a person's mental struggle with the stress associated with war and post-war events. And the same can be applied in marketing. In an attempt to transform phrases from ordinary and direct into veiled so that the customer spends time thinking about your product or service and the customer spends more time getting to know the company's brand. Thusly, capturing thinking about company by the client keeps him or her in the informational space of the target brand and transfer this client from a one-time purchaser to a permanent (regular) client of the company [27, p. 1–5].

We offer other examples of soft language that could help businesses strive to develop the marketing perception of the enterprise by the client in the midst of constantly changing legislation on behavior (Table 1).

These expressions emphasize the tendency of business to move from the direct language of communication into the sphere of neutral, exhausting and draining of the life power (vitality) away from natural communication to the "Soft Language" of selling goods and services.

People have a separate spectrum of fears. They can be used in both ways to help customers and to make money from their flaws. How you proceed will depend only on the integrity of your company and the level of moral principles your company's management possesses.

We believe that, taking into account the internationalization of business, it is recommended to be guided by the marketing demands of the target client's needs, which the company could use to increase its efficiency of particular type of activity (Table 2).

Conclusion

This work is a small study of the business development forms and a history of market that has developed over the past 12 centuries up until present day. Business is about making the most money for yourself, but you and your employees also need to keep the company's reputation in pristine and perfect condition by complying with the law and the latest legislative trends. Businesses must constantly come up with new ideas on how to name and advertise the products and services they produce. It is important to be original and non-discriminatory to

others. The business could choose to present itself in the so-called “Soft Language”, which will emphasize the brand among competitors. “Soft language” should increase the acceptability of the company by the customers and the people. A marketing manager must be a role model who should use people’s fears to their advantage, creating the so-called “Soft Language”, presenting the product and service the way the consumer

wants it the most. Simultaneously, the manager must keep in mind the requirements of the legislation in the country of the target business presence for the sale of products or services, as well as the requirements of local traditions and foundations.

The company is a guarantor of quality, integrity, transparency, fairness, delivery of perfect results, stability, punctuality, adequacy, firmness in decision

Table 1 – “Soft Language” of the Marketing Service in Terms of Commodity Marketing

№	Initial name	“Soft language” – veiled words to capture (keep) the client in the company’s brand
1	Toilet paper	Bathroom tissue
2	Sneakers	Running shoes
3	Medicine	Medical prescriptions
4	False teeth	Dental appliances
5	Dump	Land fill
6	Motels	Motor lodges
7	House trailer	Motor homes
8	Used cars	Previously owned transportation
9	Room service	Guest room dining
10	Constipation	Occasional irregularity
11	Toilet	Bathroom
12	Doctor	A professional treatment in a health care organization for consultation on the provision of medical health care delivery
13	Poor man	A person’s negative cash flow
14	Nuclear dust	Air Pollution
15	Cripples	Those passengers who need special assistance
16	Cripple	Handicap person, a person with limited physical abilities, a person with other capabilities, handicapable
17	Death people	Hearing impaired person
18	Blind	A visually impaired person, a person with limited vision, partially sided
19	Stupid	Learning disability, minimally exceptional learning ability, mimimally exeptional
20	Autistic	Autistic spectrum of a child
21	Ugly	Those with severe appearance deficits
22	Old	Elderly people, older
23	90 years old	Ninety years “young”
24	Old people	Senior citizens

Table 2 – Directions of the marketer’s energy

№	Directions Vectors of the Marketer’s Energy from a Customer	The Action of the Seller/Manager of the Enterprise, as a Reaction to the Efforts of the Marketer
1	Fear of aging	An opportunity to sell anti-wrinkle cream
2	The desire to lie to oneself	Selling self-confidence consultations
3	People fear death	Sale of rejuvenating products and medicines
4	Fear of criticism	Sale of consultation books on self-love and self-development, sale of beautiful clothes, shoes
5	Fear of poverty	Lots of scams and scammers that offer investment plans and selling fraudulent bank home loans
6	Fear of failure	Sale of tickets to a comedy show or talent show
7	Fear of offending others	Enticing people to work for a salary
8	Fear of looking stupid	Sale of places to work or sale of the service of tourist’s agencies when the Internet is available
9	Fear of success	Sale of alcohol and tobacco
10	Fear of loneliness	Selling an hourly consultation of a psychologist
11	Fear of connecting with others	Sale of premium packages for communication in social networks
12	Fear of being abandoned	Sale of jewelry
13	Fear of self-assertion	Offering an increase in salary and position in the company, without firing, and without letting understanding the alternatives of self-employment
14	Fear of not being recognized	Sale of a dress, for the realization of the personality
15	Fear of completeness	Sale of tattoos on the body for self-complition

making and many other serious qualities that clients demand from each business entity. Essentially, this article justifies the customers as so called “Gods” in business, as long as they follow the internal policies of the company, the laws of the country where business is conducted and, most importantly, they have the money.

Employees looking up to the management as a role model and example to follow, but also as a guarantee of a stable “piece of bread” in the form of a timely salary. Therefore, the company’s managers have no right for mistakes or fears of running a business. They must have an impeccable reputation and clear confidence in their actions.

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PROJECT MANAGEMENT AND FINANCIAL AND ECONOMIC SECURITY IN THE CONDITIONS OF GLOBALIZATION

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FOOD SECURITY OF THE COUNTRY IN CRISIS CONDITIONS

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Key words:

food security, national security,
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production

Recent years have been filled with negative events: the coronavirus epidemic, climate changes, and war. All this, of course, has the negative consequences in the socio-economic sphere and national security.

It was found that the food security is a component of the national security and represents the state's sufficiency in providing adequate resources regardless of internal and external conditions and threats, the ability to guarantee self-sufficiency to the population as a whole and each citizen in particular physical and economic accessibility, quality and food safety and drinking water in the required amount.

It is estimated that about one billion people (16 % of the world's population) are currently suffering from chronic hunger at a time when there is more than enough food to feed the world's population. This is the problem of food security – to realize the ability to combat the increase in food shortages against the background of a constantly growing population.

To respond quickly to the negative effects of food insecurity, the Food and Agriculture Organization of the United Nations has developed a Rapid Response Plan to save lives and livelihoods to support the most vulnerable small and medium-sized farms in 2022.

It is proved that it is necessary to support the production and sale of food in order to counteract food security violations. An important component of support is investment in livelihoods in agriculture.

ПРОДОВОЛЬЧА БЕЗПЕКА КРАЇНИ В КРИЗОВИХ УМОВАХ

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Ключові слова:

продовольча безпека,
національна безпека, війна,
економічна криза, сільське
господарство, виробництво

Останні роки були наповнені негативними подіями: епідемія коронавірусної інфекції, зміни у кліматі, війна. Усе це, безумовно, несе негативні наслідки у соціально-економічній сфері та національній безпеці.

Виявлено, що продовольча безпека є складовою національної безпеки та являє собою достатність держави у забезпеченні відповідними ресурсами незалежно від внутрішніх та зовнішніх умов і загроз, можливість на принципах самозабезпечення гарантувати населенню країни у цілому та кожному громадянину зокрема фізичну та економічну доступність, якість та безпеку продуктів харчування і питної води в необхідному обсязі.

Встановлено, що наразі приблизно один мільярд людей (16 % населення планети) страждає від хронічного голоду в той час, коли є більше ніж достатня кількість їжі для того, щоб нагодувати жителів планети. У цьому полягає проблема продовольчої безпеки – реалізувати здатність боротися зі збільшенням дефіциту продовольства на фоні постійно зростаючої кількості населення.

Задля швидкого реагування на негативні наслідки порушення продовольчої безпеки, продовольча та сільськогосподарська організація ООН розробила

План швидкого реагування для проведення заходів зі збереження життя та засобів до існування, щоб підтримати найбільш вразливі дрібні та середні фермерські господарства впродовж 2022 року.
Доведено, що необхідна підтримка виробництва та реалізації продуктів харчування задля протидії порушення продовольчої безпеки. Важливою складовою підтримки є інвестиції в засоби до існування у сільському господарстві.

Statement of the problem

The country's food security is an important component of overall national security. Food security is currently at risk. Russia's military action against Ukraine could lead to a global economic crisis and deal a devastating blow to the world. Therefore, it is important to get acquainted with and study the structure and means of ensuring food security, maintaining it at a high level.

Analysis of recent studies and publications

The issue of food security of the country has been the subject of research in the scientific works of such domestic and foreign scientists as Kulish I. M. [2], Kolisnyk G. M. [3], Pavlenko D. G. [6], Kish L. M. [8], Ternavska I. B. [10], T. Bruck, N. Habibi, C. Martin-Shiles [13] and others.

In the works of these scientists, the criteria of food security of the state are considered, natural and political problems of food security are highlighted, it was found that the process of formation and implementation of agricultural food security policy should begin with a study of the composition of food products, which on this basis is the modeling of food regions and the physiological needs of the country's population for food are predicted.

In the work of Pavlenko D. G. [6] the principles of national security in general are considered in more detail. Accordingly, the scientist defines the concept of "national security" in relation to a wide range of social systems to characterize their protection from various negative influences of natural and social nature.

In a joint work, T. Bruck, N. Habibi, and C. Martin-Shiles [13] explored the understanding of the correlation between food security and the level of violence in society.

Objectives of the article

The main purpose of this work is to summarize the most important factors in ensuring food security of the country and find ways to solve current problems and issues in this area.

The main material of the research

For a correct and more complete understanding of the concept "Food security" is necessary to define a broader concept that it also covers food security, namely "national security".

The concept of "national security" is used in relation to a wide range of social systems to characterize their protection from various negative influences of natural and social nature. This concept characterizes the degree of protection of vital interests, rights and freedoms of the individual, society and state from external and internal threats or the degree of absence of threats to human rights and freedoms, basic interests and values of society and state. It can be considered as a specific property of dynamic systems, a comprehensive criterion for assessing their quality and efficiency [6].

Next, we turn to the interpretation of the concept of "food security": to do this, we compare the definition of this economic category by different scientists, which will allow a deeper and more detailed study of this phenomenon (Table 1).

Thus, ensuring regional food security provides for such conditions as:

- availability of sufficient quality food;
- resource provision of the population, transportation, storage and consumption of quality food.

According to world experience, reliable food security of the state is ensured if 75–80 % of consumption of

Table 1 – Definition of "food security" by different scientists

The name of scientist	Definition
Zhivko Z. B., Danilenko N. B. and Stadnyk M. E.	Food security is the ability of the state, provided with adequate resources and potential, regardless of internal and external conditions and threats on the principles of self-sufficiency to guarantee the population of the country as a whole and each citizen in particular physical and economic accessibility, quality and safety of food and drinking water. levels of physiological norms, which ensures the physical and intellectual development of the individual, promotes the expanded reproduction of the population and guarantees socio – political stability in the country, its sustainable economic development, strengthens the country's position at the international level [1].
Kolisnyk G. M.	Food security should be understood as the ecological and economic state of the state, in which all its citizens are provided with food in the required quantity, range and quality, which maintains the highest level of their physical and mental health [3].
Golikova K. P.	Food security reproduces a system of various factors, namely quantitative and qualitative indicators of the availability of own resources, the use of alternative sources of resources, the level of their consumption and others [4].
Dudar V.	Food security is the ability of the state to guarantee and meet the needs of people in quality and safe food at the level of scientifically sound consumption standards to maintain an active and healthy life of all segments of the population [5].

all types of food falls on the domestic market. At the same time, priority types of products are identified, the production of which should be the subject of special attention by the state.

Countries with high economic potential, intensively joining the world market, carefully maintain a high level of self-sufficiency. For example, in the United States and France this level is about 100 %, in Germany – 93 %, in Italy – 78 %, even poor fertile soils in Japan adhere to a 50 percent level of self-sufficiency.

A sufficient level of food self-sufficiency or food independence is achieved when the main groups of food products (meat and meat products, milk and dairy products, eggs, bread and bakery products, potatoes, vegetables and fruits, oil, sugar, fish and fish products) imports do not exceed 30 % of their domestic consumption.

The above nine food groups provide 90 % of the caloric content of food and are the most important and indispensable in terms of balance of essential nutrients in quantitative and qualitative composition [1]. The excess of imported goods in the overall structure of food over 30 % is considered critical.

According to the Ministry of Agrarian Policy of Ukraine [16], during March 1 to May 9, 2022, more than 1.5 million tons of crops were exported (Fig. 1). In particular, the following were exported: 51.088 thousand tons of wheat; 20.941 thousand tons of barley; 1.01 million tons of corn; 114.902 thousand tons of soybeans; 174.261 thousand tons of sunflower seeds; 31.558 thousand tons of soybean oil; 197.469 thousand tons of sunflower oil; 100.369 thousand tons of meal.

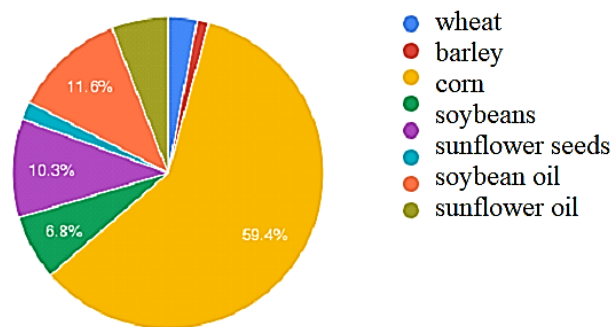


Fig. 1 – The volume of grain exports

Source: generated by the authors according to [16]

Ukraine has a strong agro-industrial complex, so for many countries it is a “breadwinner”. For example, 11.33 % of total exports belong to China, 4.28 % – to the Netherlands, 6.48 % – to Poland, 7.68 % – to Turkey (Table 2). The total amount of food exports in January 2022 reached 6020580.68 thousand dollars. USA.

According to the International Grains Council, Ukraine has been the world’s fourth-largest grain exporter in recent years. It sent 90 % of this raw material through ports in the Black Sea: before the Russian invasion, Ukrainian companies shipped about 5 million tons of grain a month for export through Black Sea ports. Without exaggeration, caravans of bulkers – special vessels for bulk cargo – went to

the Mediterranean from the Black Sea, and they all brought Ukrainian wheat, corn, barley and other grains [17].

Table 2 – Geographical structure of foreign trade in goods in January 2022

The country	Volume, thousand dollars USA	Total share in the structure
Belarus	66 209.92	1.10 %
Bulgaria	91 712.95	1.52 %
India	102 239.78	1.70 %
Italy	64 808.79	1.08 %
China	682 357.42	11.33 %
Lithuania	61 054.48	1.01 %
Libya	61 773.09	1.03 %
The Netherlands	257 655.89	4.28 %
Germany	186 746.61	3.1 %
Poland	390 392.39	6.48 %
Romania	139 843.81	2.32 %
Saudi Arabia	84 455.7	1.4 %
Slovakia	75 101.84	1.25 %
United Kingdom of Great Britain and Northern Ireland	84 555.19	1.4 %
USA	158 076.6	2.63 %
Turkey	462 215.88	7.68 %
Hungary	150 684.53	2.5 %

Source: generated by the authors according to [17]

Currently, the world has stocks of wheat in warehouses for about 10 weeks due to the war in Ukraine and due to the fact that India has banned wheat exports in recent weeks. This was stated by food security expert, CEO of the agricultural analytical company Gro Intelligence Sarah Menker during a meeting of the UN Security Council [18].

According to UNICEF [15], the world’s population is growing steadily. Technology is evolving at a dizzying pace, while economies are becoming increasingly interconnected and globalized. However, many countries around the world have not become part of this new economy. The number of conflicts and instability has increased, contributing to greater population displacement (migration). Climate change and its variability have a negative impact on agricultural productivity, food production and natural resources, which in turn affects food security, including the reduction in the number of farmers.

Food security is a difficult issue to address because it cannot be characterized or limited by geography, nor can it be defined by a single group, ie demography, education, geographical location or income.

Currently, about one billion people (16 % of the world’s population) suffer from chronic hunger at a time when there is more than enough food to feed the world’s inhabitants. This is the problem of food security – to realize the ability to deal with increasing food shortages against the background of a growing population [7].

Ensuring all forms of accessibility is the basis for the formation of the country’s food security system and an indicator of ensuring its interests in the international

food security system. The outlined aspect is key in the interpretation of the subject of this study. The level of food security depends to a large extent on the economic security of the state, as mentioned above, and thus – its national security, which is “protection of state sovereignty, territorial integrity, democratic constitutional order and other national interests of Ukraine from real and potential threats”.

The war in Ukraine, which began on February 24, 2022, led to large-scale human suffering in all regions of the country, and the destruction of our country’s agricultural potential provokes the beginning of the global food crisis.

According to Bloomberg, the Russian invasion has caused the loss of world grain trade to about \$120 billion. As the war continues to develop, much of the population is suffering from critical infrastructure damage, lack of basic services and supply chain disruptions, which requires multisectoral humanitarian assistance, without which food and security systems are disappearing in Africa and Asia.

In order to address the rapidly deteriorating food security situation, the Food and Agriculture Organization of the United Nations (FAO) has developed a Rapid Response Plan (RAP) to support life and livelihoods to support the most vulnerable small and medium-sized enterprises. farms during 2022 [11].

The Government of Ukraine has asked FAO to support vulnerable producers through financial assistance and agricultural resources, as well as to maintain shared access to key markets. FAO will continue to work closely with the government and partners in the Food and Livelihood Cluster Partners to ensure that response measures complement those of other actors.

The war in Ukraine dramatically changed market expectations, affecting prices in general, including agri-food primary products. In the global wheat market, which focuses on food security, wheat futures prices have risen 70 % since the invasion. World wheat production is threatened both by supply shocks caused by Ukraine’s and Russia’s share of wheat markets and by the shock of input costs, especially natural gas, nitrogen fertilizers and oxygen.

According to experts, the food crisis in Ukraine will affect up to 18 million people, including 6.7 million who will become internally displaced again. Food shortages in cities and millions of refugees and displaced persons are calling for urgent food aid to Ukraine [14].

It is also worth noting that the COVID-19 pandemic has become an important food security threat in recent years. It is a catastrophe that has caused enormous damage to humanity, disrupting life and livelihoods. The scale and severity of COVID-19 is unprecedented.

The World Bank estimates that the economic consequences of the pandemic could lead to 100 million people in poverty. Rapid unemployment, declining incomes and rising food prices are threatening access to food in both developed and developing countries. It is expected that each reduction of world GDP by one percent will lead to another 700.000 children with growth retardation. Particularly vulnerable are small farmers and their families, food workers in all sectors, and those living in countries dependent on commodities and tourism [12].

Regarding the actions taken to minimize the effects of the Russian invasion of Ukraine and affect the level of national security, it should be noted that in the future FAO will support the collection and analysis of data to monitor food security, the effects of war on agriculture and the need to provide funds existence at the level of households and regions.

In addition, FAO will continuously monitor the return of internally displaced persons in need of financial and material assistance to restore livelihoods and agricultural production.

We believe that investing in livelihoods in agriculture is key to maintaining food security for vulnerable populations. The availability of food will be increasingly constrained by reduced imports, and access to food will be constrained by rising prices, lack of resources and the destruction of production assets and infrastructure.

Immediate support is needed to help farmers sow crops on time and to help livestock farmers maintain their health and productivity. In addition, women, who are now mainly responsible for production and harvesting, have been given an additional burden of urgent care.

Timely delivery remains extremely important. The current season of sowing spring vegetable crops in most parts of the country has already begun (dates vary depending on the region, soil condition and weather conditions). Therefore, the purchase of seeds and related materials for growing vegetables and other crops needs to be increased, and distribution among farmers needs to be done immediately.

The winter wheat harvest, which was sown in October 2021, will be a critical product in the country and will be ready for harvest in June/July 2022. FAO works with government and private partners to provide farmers with the necessary equipment and resources to harvest. In the medium term, FAO plans to support farmers with various resources and funding so that they can prepare their land and sow winter wheat in the upcoming autumn sowing season in September/October 2022 [11].

Conclusions

Thus, we analyzed the concept of “food security” and identified the main trends of its existence in our time. According to processed sources, food security is an ecological and economic state of the state in which all its citizens are provided with food in the required quantity, range and quality, which maintains the highest level of their physical and mental health.

However, it was found that the key threats to Ukraine’s food security are the following: Russia’s aggressive actions; inefficiency of the system of national security and defense of Ukraine; corruption and inefficient public administration system; economic crisis; threats to energy security and information security; threats to the security of critical infrastructure; threats to environmental security.

Thus, this study identified the main signs of ensuring a stable level of food security in a crisis. The war and the pandemic, of course, negatively affected the pace of production and sales, but it has been proven that effective ways to combat food insecurity are investment in livelihoods, financial and material assistance to restore livelihoods and agricultural production, and so on.

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ВИМОГИ ДО ОФОРМЛЕННЯ СТАТЕЙ У ФАХОВОМУ НАУКОВО-ПРАКТИЧНОМУ ЖУРНАЛІ «ФІНАНСОВІ СТРАТЕГІЇ ІННОВАЦІЙНОГО РОЗВИТКУ ЕКОНОМІКИ»

З № 2(42) 2019 року фаховий науково-практичний журнал «Фінансові стратегії інноваційного розвитку економіки» виходить лише англійською мовою. **Стаття подається до розгляду в редакцію українською мовою. Після проходження внутрішнього рецензування – обов'язкове надання перекладу статті англійською мовою.** Переклад має бути професійним, у жодному разі не використовуючи інтернет-перекладач.

До друку приймаються наукові статті обсягом від 10 сторінок, що відповідають тематиці серії видання й містять нові наукові результати, не опубліковані раніше. Виклад матеріалу статті має бути послідовним, логічно завершеним, із чіткими формулюваннями, що виключають подвійне тлумачення або неправильне розуміння інформації; мова тексту має відповідати літературним нормам, бути професійною і лаконічною. Автор зобов'язаний забезпечити високий науковий рівень викладеного матеріалу, повноту і системність висвітлення питання, достовірність результатів і даних, що наводяться, правильність цитування та посилань на літературні джерела. Редакційна колегія приймає до друку статті, які характеризуються оригінальністю, високою мірою наукової новизни і практичною значущістю.

1. МАКЕТ СТОРІНКИ

Для оформлення статті автор використовує формат А4 з полями з усіх боків – 2 см. Порядок абзацу виділяється відступом 1,25.

☞ *До уваги авторів:* У разі необхідності для шрифтових виділень у таблицях і рисунках дозволяється застосовувати шрифт Courier New (наприклад, для ілюстрації текстів програм для ЕОМ). Для стилістичного виділення фрагментів тексту слід вживати начертання *курсив*, **напівжирний**, *напівжирний курсив* зі збереженням гарнітури, розміру шрифту та інтервалу абзацу.

2. ТИПОГРАФСЬКІ ПОГОДЖЕННЯ ТА СТИЛІ

Текст статті, яка подається до розгляду та рецензування українською, має бути побудований за такою схемою:

- індекс УДК у верхньому лівому кутку аркуша (Times New Roman, 14 пт., звичайний);
- назва статті великими літерами (по центру, Times New Roman, 14 пт., напівжирний);
- ПІБ авторів (по центру, Times New Roman, 14 пт., звичайний);
- назва ЗВО (по центру, Times New Roman, 14 пт., курсив);
- повна адреса ЗВО або місця роботи автора (по центру, Times New Roman, 14 пт., курсив);
- адреса електронної пошти;
- ORCID (обов'язково);
- анотація (200–250 слів), яка містить стисле формулювання змісту статті (вирівнювання – по ширині сторінки, Times New Roman, 14 пт., звичайний);
- ключові слова (до 10 слів) (вирівнювання – по ширині сторінки, Times New Roman, 14 пт., курсив).

Після цього з абзацу викладається основний текст статті (вирівнювання – по ширині сторінки, Times New Roman, 14 пт., міжрядковий інтервал 1,5).

Структура основної частини рукопису українською мовою:

I. Постановка проблеми в загальному вигляді та її зв'язок з важливими науковими чи практичними завданнями.

II. Аналіз останніх досліджень і публікацій, у яких започатковано розв'язання даної проблеми і на які спирається автор (з обов'язковими посиланнями в тексті на використану наукову літературу!!!), виділення не вирішених раніше частин загальної проблеми, котрим присвячується стаття.

III. Формулювання цілей статті (постановка завдання).

IV. Виклад основного матеріалу дослідження з повним обґрунтуванням отриманих наукових результатів.

V. Висновки і перспективи подальших досліджень у даному напрямку.

VI. Література. Оформлюється відповідно до вимог Національного стандарту України ДСТУ 8302:2015.

**ЛИШЕ ПІСЛЯ ПРОХОДЖЕННЯ ВНУТРІШНЬОГО РЕЦЕНЗУВАННЯ
АВТОР НАДАЄ ПЕРЕКЛАД СТАТТІ АНГЛІЙСЬКОЮ МОВОЮ.**

Схема побудови англomовної статті аналогічна українському варіанту:

- UDC у верхньому лівому кутку аркуша (Times New Roman, 14 пт., звичайний);
- назва статті великими літерами по центру (Times New Roman, 14 пт., напівжирний);
- ПІБ авторів (по центру, Times New Roman, 14 пт., звичайний);
- назва ЗВО (по центру, Times New Roman, 14 пт., курсив);
- повна адреса ЗВО або місця роботи автора (по центру, Times New Roman, 14 пт., курсив);
- адреса електронної пошти (по центру, Times New Roman, 14 пт., звичайний);
- анотація англійською мовою розширена (1800 знаків) (вирівнювання – по ширині сторінки, Times New Roman, 14 пт., звичайний);
- ключові слова (key words) – до 10 слів – (вирівнювання – по ширині сторінки, Times New Roman, 14 пт., курсив).

☞ *До уваги авторів:* після ключових слів англійською мовою необхідно надати цей блок інформації (крім УДК) також українською, вимоги до оформлення зберігаються.

Структура основної частини статті англійською мовою

(вирівнювання – по ширині сторінки, Times New Roman, 14 пт., міжрядковий інтервал 1,5)

I. Statement of the problem (Постановка проблеми).

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III. Objectives of the article (Формулювання цілей статті).

IV. The main material of the research (Виклад основного матеріалу дослідження).

V. Conclusions (Висновки).

VI. References (Література), оформлюється за міжнародним бібліографічним стандартом. Приклади оформлення: <http://journalsofznu.zp.ua/References.pdf>

ВАЖЛИВО! Кожен рисунок включається до тексту у вигляді одного графічного об'єкта (положення об'єкта «В тексті»).

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Збірник наукових праць

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