

UDC 334.012.61-022.51:338.246.8

DOI <https://doi.org/10.26661/2414-0287-2024-2-62-02>**DEVELOPMENT OF SMALL BUSINESS IN THE POSTWAR PERIOD****<sup>1</sup>Dashko I.M., <sup>1</sup>Mykhailichenko L.V., <sup>1</sup>Cherep O.H., <sup>2</sup>Oleynikova L.H.**<sup>1</sup>Zaporizhzhia National University

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**Key words:**

business, tax system, taxes, government, war, Victory, loans, enterprises, tender programs business, tax system, government, war, Victory, loans, enterprises, tender programs.

The article analyzes the activities of Ukrainian enterprises since the beginning of the war. An assessment of the activities of Ukrainian enterprises that have ceased their operations or temporarily suspended them is provided. The general state of Ukrainian business is studied, which shows that Ukrainian business is going through difficult times, accompanied by rising prices for energy, transportation, materials and raw materials. The positive aspects for Ukrainian business are characterized. The author describes the state support, which is accompanied by the provision of benefits and loans for development. The author analyzes the actions taken by the Ukrainian government to support business since the beginning of the full-scale war. The steps and actions of the state in supporting business development in Ukraine are characterized. The situation on the credit market in Ukraine is studied. The number of loans granted to Ukrainian entrepreneurs in 2021-2023 is analyzed. The tax payment system is characterized and a number of adjustments to the tax system of Ukraine are revealed. The structure of destroyed buildings by region in Ukraine from the beginning of the war to the end of 2022 is analyzed. The principles of the tender program for enterprises are highlighted. An alternative algorithm for creating a tender program for the participation of construction and furniture enterprises in the development of Ukraine after the Victory is presented. The conclusions on the development of small business in the postwar period are presented.

**РОЗВИТОК МАЛОГО БІЗНЕСУ У ПОВОЄННИЙ ПЕРІОД****<sup>1</sup>Дашко І.М., <sup>1</sup>Михайліченко Л.В., <sup>1</sup>Череп О.Г., <sup>2</sup>Олейнікова Л.Г.**<sup>1</sup>Запорізький національний університет

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**Ключові слова:**

бізнес, податкова система, податки, уряд, війна, Перемога, кредити, підприємства, тендерні програми.

Проаналізовано діяльність українських підприємств з початку війни. Надано оцінку діяльності українських підприємств, які припинили свою діяльність або тимчасово призупинили. Досліджено загальний стан українського бізнесу, де видно що український бізнес переживає тяжкі часи, які супроводжуються зростанням цін на енергоносії, перевезення, матеріали та сировини. Охарактеризовано позитивні сторони для українського бізнесу. Надано характеристику державної підтримки, яка супроводжується наданням пільг та кредитів на розвиток. Досліджено дії, які були зроблені українським урядом на підтримку бізнесу з початку повномасштабної війни. Охарактеризовано кроки та дії держави у підтримці розвитку бізнесу в Україні. Досліджено ситуацію на ринку кредитування в Україні. Проаналізовано кількість кредитів наданих підприємцям України за 2021-2023 р. Охарактеризовано систему сплати податків та розкрито низку коректив в Податковій системі України. Проаналізовано структуру зруйнованих будинків за областями в Україні з початку війни і до кінця 2022 року. Виділено принципи тендерної програми для підприємств. Наведено альтернативний алгоритм створення тендерної програми для участі будівельних та меблевих підприємств у розбудові України після Перемоги. Надано висновки щодо розвитку малого бізнесу в післявоєнний період.

**Problem statement**

Ukrainian businesses are the «blood vessels» of Ukraine, as the payment of taxes is the main revenue to the state budget. Since the outbreak of the war in Ukraine, thousands of companies have ceased operations, while others have been forced to relocate their facilities and re-qualify their activities. No matter how hard the Russian Federation tries to destroy Ukrainian business, most of our companies have not only continued to operate, but have also managed to make profits and pay taxes. That is why the study of small business development after the war is a relevant topic for this research, because such business is flexible and the most «resilient» and our government needs to do everything possible for its further development. The study of small business development after the war is a completely new area, as we have not yet had experience in rebuilding business after military operations, which is why this topic is completely unexplored and unstudied, which once again proves its relevance.

**Analysis of recent research and publications**

A small number of scholars have studied the issues of business support in the postwar period, in particular: I. Goncharenko, V. Dykan, I. Klimova, K. Kucheriava, T. Melnyk, N. Frolova, I. Khmarska, Y. Tsymbalis, and others. Thus, I. Khmarska, K. Kucheryavata and I. Klimov emphasized that the main priority for business in recovering from the consequences of the war remains cooperation between the government and business representatives to create a recovery strategy and the best tactics. Taking into account the information obtained as a result of research by scientists, it is worth noting that the issue of ensuring the prospects for the recovery of Ukrainian business in the post-war period, as well as the practical aspect, has hardly been considered, so this topic is relevant and little studied.

**Formulation of the article’s objectives**

The purpose of this article is to highlight the prospects for the recovery of Ukrainian business in the post-war period.

**Summary of the main research material**

The war in Ukraine has led not only to huge destruction of infrastructure and deaths of civilians, but also to the total collapse of Ukraine’s business, which was literally destroyed, so to understand the overall picture of the state of Ukraine’s business, we propose to analyze the activities of enterprises (Fig. 1).

As can be seen from the data in Fig. 1, almost half of Ukrainian enterprises ceased their operations, and 29% temporarily suspended their activities, mostly those located in the occupied territories.

Having examined the general state of Ukrainian business, it is clear that Ukrainian business is going through difficult times, accompanied by rising prices for energy, transportation, materials and raw materials, all against the backdrop of rising exchange rates and inflation, which has reached a critical level over the past six months.

Government support, which is accompanied by the provision of benefits and loans for development, is positive for Ukrainian business, as entrepreneurs are the main taxpayers to the state budget.

We propose to examine a number of actions taken by the Ukrainian government to support business since the beginning of the full-scale war (Figure 2).

It is safe to say that the Ukrainian government has taken the most beneficial steps to develop Ukrainian business and support it during the war. Since the beginning of the war, the government has abolished excise taxes on fuel, which has helped to stabilize prices and halt inflation. Another important step was the expansion of the 5-7-9 program among commercial banks, which was used by most Ukrainian entrepreneurs. Since the beginning of the war, more than 800 businesses have been relocated to western Ukraine, which have successfully continued their operations and support the Ukrainian economy. An important step taken by the government was the development of an electronic employment program called «Job in Action,» which has helped 20,000 unemployed Ukrainians find jobs [3]. Also, since the beginning of the war, the President of

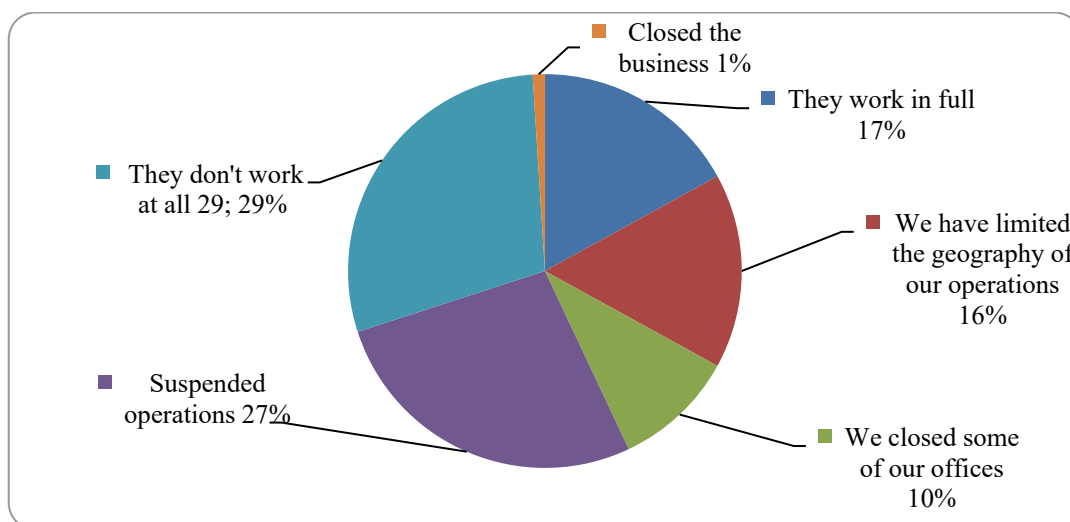


Figure 1 – Analysis of the activities of Ukrainian enterprises since the beginning of the war [1]

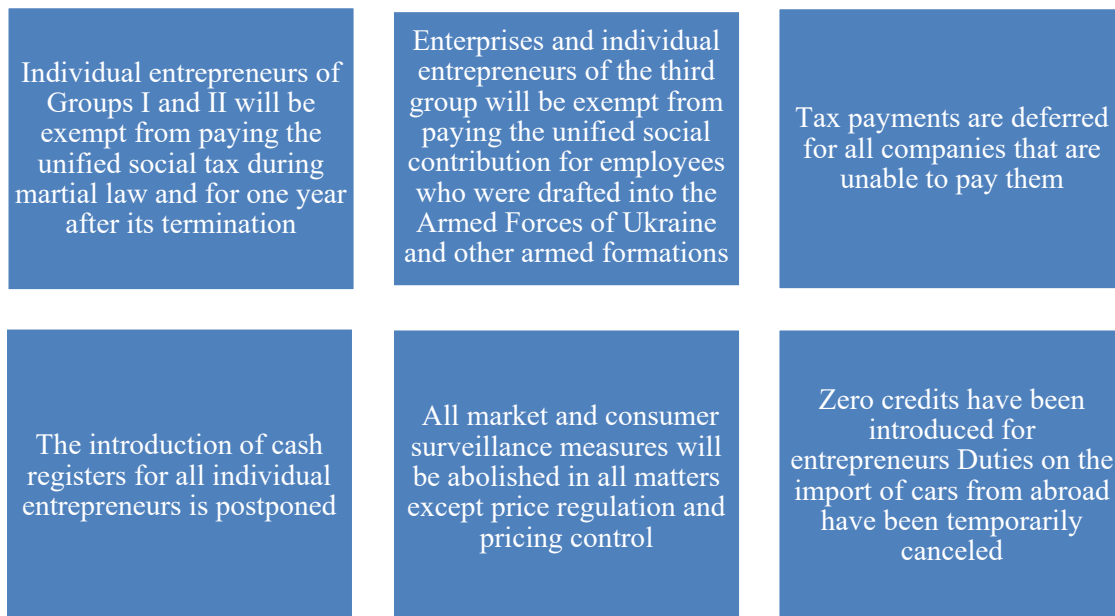


Figure 2 – Steps and actions of the state to support business development in Ukraine [2]

Ukraine, together with the New York Stock Exchange, has developed an «Innovative Program for Investments in the Development of Ukrainian Business» [4].

Since the beginning of the war in Ukraine, the government has modified the tax payment system and developed a number of adjustments to the tax system of Ukraine (Fig. 3).

As can be seen from the above, the Ukrainian authorities made a number of adjustments to taxation in a short period of time, which had a positive impact on business development, as the tax burden was reduced, enabling businesses to recover from the crisis.

The war also had a huge impact on the banking sector, which, since the beginning of Russia's full-scale invasion, has been experiencing times of unstable exchange rates and rising NBU discount rates, so we propose to examine the situation in the Ukrainian lending market. To begin with, it is advisable to analyze the loans that commercial banks provided to Ukrainian businesses during the year and in the first month of the war. Figure 4 provides an opportunity to assess the relationship between the state and banks in supporting business development, as most loans were issued under preferential programs aimed at supporting business. Today, business is the future of our country, working not only to make a profit but also to support the Ukrainian economy in the fight against the occupier.

Fig. 4 shows that despite the war, Ukrainian banks not only continued to issue loans but also increased their amounts. Analyzing the period of 2021-2022, we see that the amount of loans in this period was significantly lower than at the beginning of the full-scale war in 2022. This figure demonstrates the support of business by the banking sector and the state, which is extremely important for the growth and development of the economy.

The actions taken by the Ukrainian government since the beginning of the war in Ukraine can be equated to

the actions taken during all the years of Ukraine's independence. In such a short period of time, the government has done even more, which shows that it understands the importance of business for Ukraine as the main source of funds for the country's budget and a driver of economic growth.

As for the development of small business in the period after the war, we believe that the main focus should be on the development of the construction and furniture industries, as Ukrainians will need to restore their buildings and purchase furniture. The construction industry should be in great demand and important for the development of our country, but it is necessary and important to monitor the integrity of construction companies and state funds and make everything as transparent as possible.

The reason to consider the construction and furniture industries as one of the key ones after the war is the daily destruction of infrastructure by the Russian military (Fig. 5).

Figure 5 shows that about 100,000 residential buildings have already been destroyed since the beginning of the war, and they will definitely need to be restored after the Victory. Kyiv, Kharkiv, and Donetsk regions suffered the most damage, as they are subject to daily attacks by the Russian Federation.

It is proposed to create tender platforms for companies wishing to participate in the development of the country and, at the same time, to create a group of independent experts to check the documentation and tender prices. The same applies to furniture companies, for which similar programs will also be created. The creation of such tender programs will help companies not only to resume their operations after the war, but also to develop their business, as there will be more than enough work.

Thus, the tender program for enterprises should be based on the following principles:

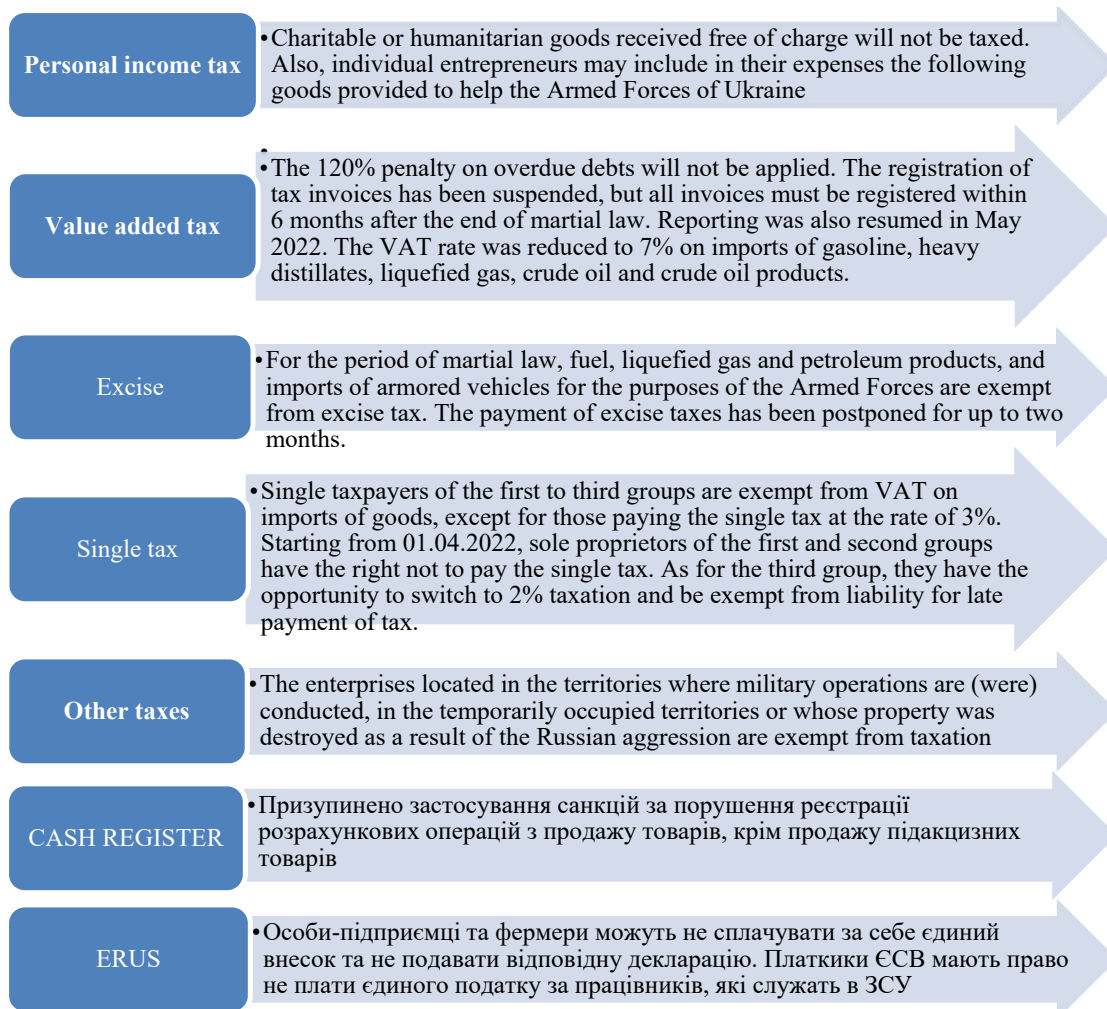


Figure 3 – Characteristics of tax payments in Ukraine since the beginning of the war

Source: developed by the authors on the basis of data analysis [5]

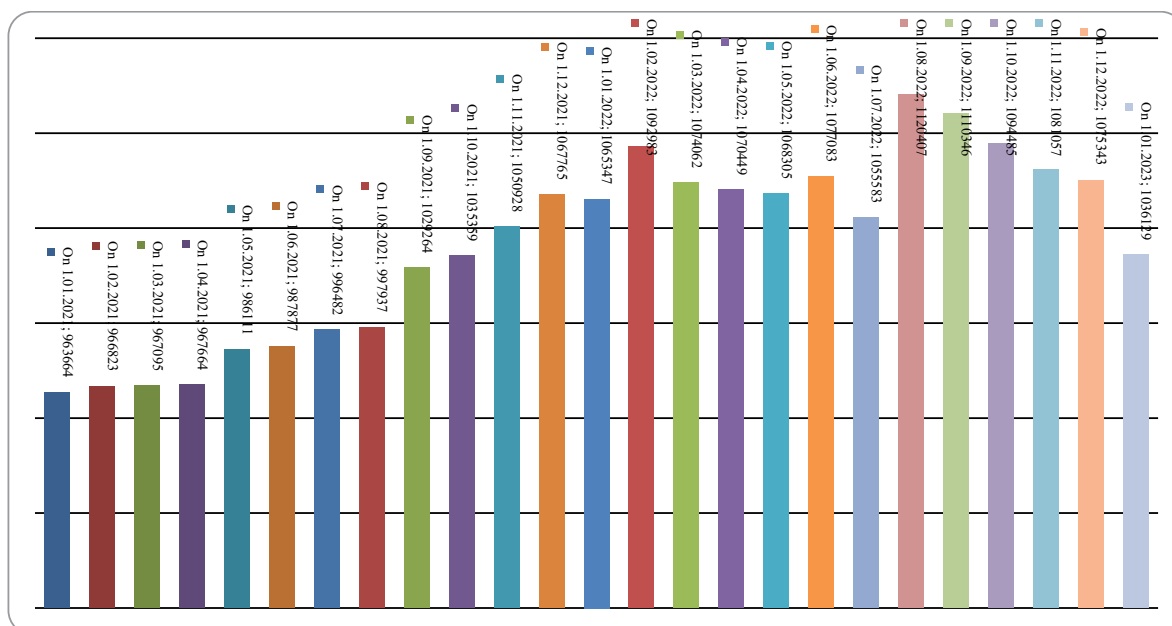


Figure 4 – Number of loans granted to Ukrainian entrepreneurs in 2021-2023, UAH million [6]

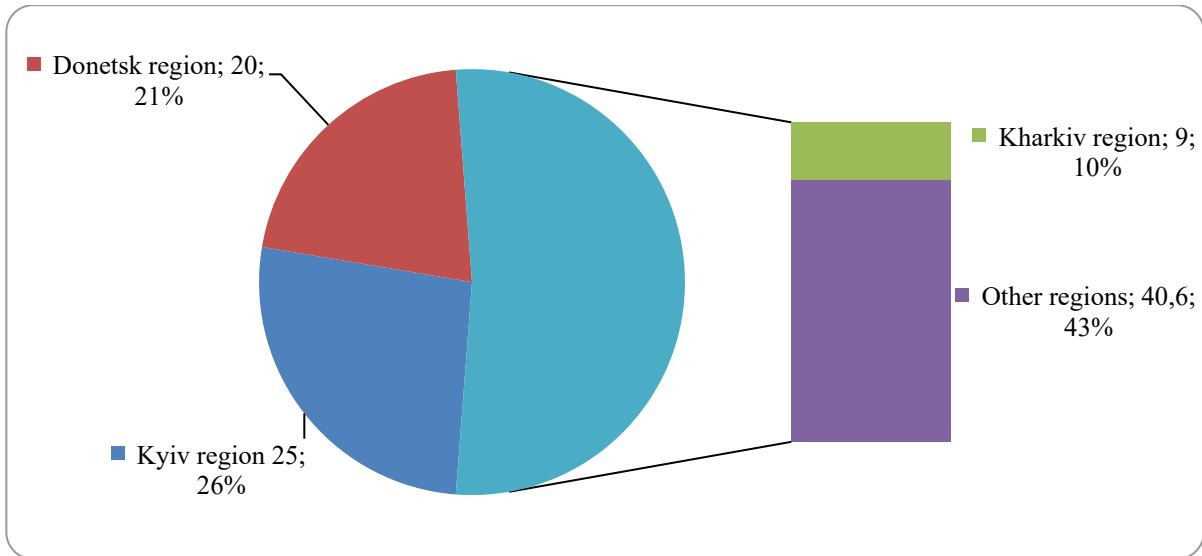


Figure 5 – The structure of destroyed houses by region in Ukraine from the beginning of the war to the end of 2022, thousand houses [6]

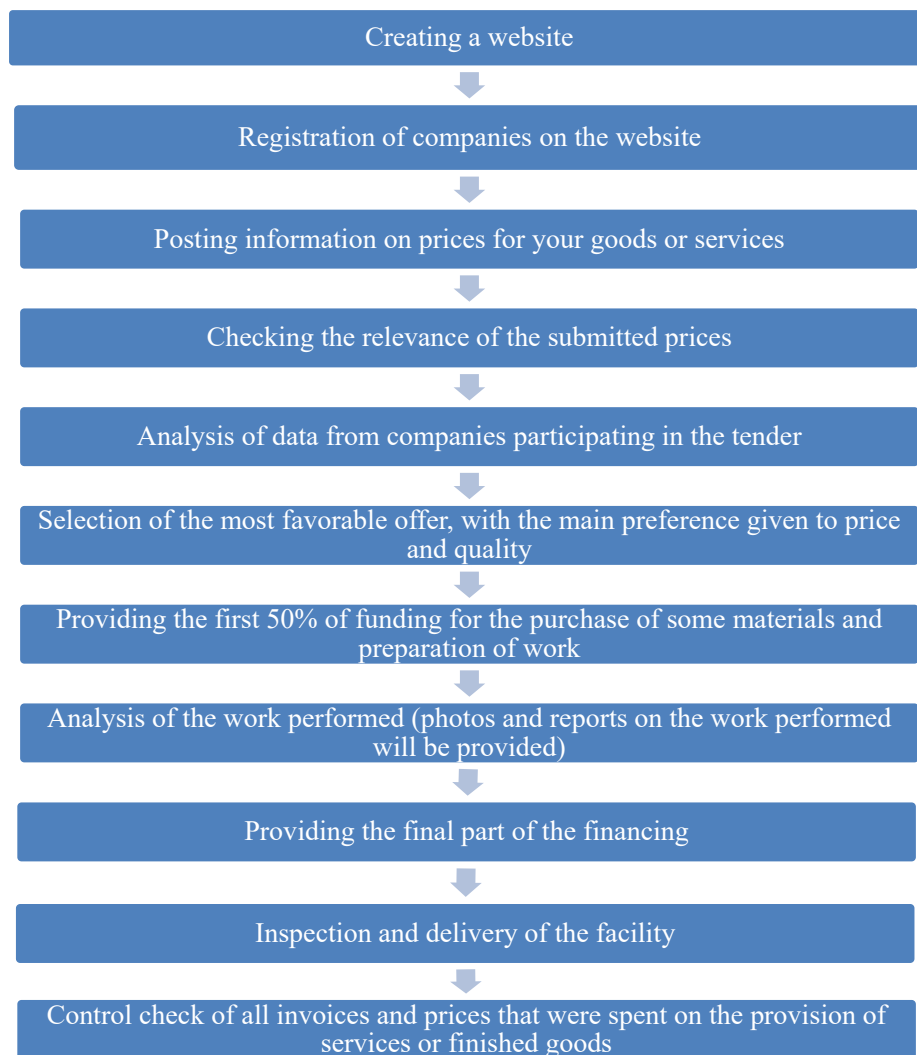


Figure 6 – Algorithm for building a tender program for rebuilding Ukraine after the victory

Source: developed by the authors

1. Integrity – all prices set by companies for materials, finished products or services will be checked by the commission.

2. Free participation – any company can participate in tenders, regardless of their size or management status.

3. Results-oriented – the work will be completed as soon as possible.

4. Quality – all delivered goods, materials or services must be of the highest quality.

5. Belief in a better future – nothing sets you up for a positive result like the belief that everything will change for the better.

To create tender programs, it is necessary to involve programmers who, on the basis of the ProZorro website, should create a simple and accessible website for companies wishing to participate in the tender.

Thus, we propose an alternative algorithm for creating a tender program for the participation of construction and furniture companies in the development of Ukraine after the Victory (Fig. 6).

It should be noted that every tender program should have such an algorithm, as this will help to avoid the use of various corruption schemes and agreements that unfortunately still exist today.

Thus, the development of small business after Ukraine's victory lies in the rebuilding of its damaged infrastructure, because before rebuilding the country, it is necessary to return all Ukrainian citizens who were forced to leave due to the full-scale invasion of Ukraine by Russia, in particular because of the destruction of Ukrainian citizens' homes.

### Conclusions

Having studied the prospects for small business development in Ukraine after the end of the war, the following conclusions can be drawn:

1. During the war, thousands of businesses closed in Ukraine, and even more retrained and moved their facilities from the war zone to other parts of Ukraine.

2. The state made every effort to support Ukrainian business by removing certain taxes and simplifying the provision of state loans, which encouraged entrepreneurs to continue their activities.

3. The future of our small business is the development of the country, so the construction and furniture industries will be key, as they will be able to repair the damaged homes of millions of Ukrainians through open and competitive bidding programs.

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