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SECTION 1. ECONOMIC THEORY AND HISTORY OF ECONOMIC THOUGHT

Holubka M.M.

Lecturer of the Highest Category
Lviv Cooperative College of Economics and Law

ECONOMIC, EDUCATIONAL AND ENLIGHTENING ACTIVITIES OF STEPAN SMAL-STOTSKYI, HIS ROLE FOR WESTERN UKRAINE IN LATE NINETEENTH AND EARLY TWENTIETH CENTURY AND FINANCIAL, ECONOMIC AND COOPERATIVE EDUCATION

In the scientific work the activity of Ukrainian teacher, outstanding socio-political, cultural, economic figure of Bukovina Stepan Yosypovych Smal-Stotskyi and his contribution to the economic development and education of Western Ukrainian heritage are analyzed. He expressed himself in the community of Western intellectuals, the famous professor, Head of the Ukrainian language and literature department in Chernivtsi University, Ambassador to Vienna Sejm, leader of the Ukrainian National Revival and creator of Ukrainian schools in Bukovina. In the work the importance of Stepan Smal-Stotskyi's activities are disclosed. Being a Head of the "Rus' Service" and "Rural Service" (1903) he in his economic area tried to build Ukrainian cooperation; failure in 1910 led to the splitting of Ukrainian public life in Bukovina and weakening his political and social activities. The growth of Ukrainian national movement in Bukovina was also influenced by his scientific (among others his work «Bukovynska Rus'», 1897), journalistic (he was also co-editor of many newspapers "Bukovina", editor of "Rus' Board") and teaching activities. During the First World War he, as an activist of the Union for the Liberation of Ukraine, led cultural work in the camp with Ukrainian

prisoners in Rastatt; in 1917, he became a chairman of the Battle Board of the Sich Riflemen. In 1919 he became an ambassador of the Western Ukrainian National Republic in Prague, where he lived until his death; except his work in Ukrainian Free University, he was a chairman of the Museum of the liberation struggle, first chairman of the Ukrainian Mazepa-Mohyla Academy of Sciences. Summarizing the research in is worth noting that his heritage is huge and the activities results of S. Smal-Stotskyi are successful and, moreover, his teachings are still relevant today. The evaluation of S. Smal-Stotskyi visions, his expressions and actions, proposals and decisions in education and enlightenment (linguistic, literary, journalistic, editorial), socio-political and economic spheres, shows a wide range of his interests and, as a result, his significant contribution to the future development of Ukrainian culture, education, and economic knowledge and well-being of its citizens. The research of the Stepan Yosypovych Smal-Stotskyi's activities, which became an important stage in the history of Ukrainian economic opinion, a consequence of the rise and development of the financial, economic and cooperative education are highly important.

Yoltukhovska O.Y.

Candidate of Economic Sciences,
Senior Lecturer at Department of Accounting and Auditing
State Higher Educational Establishment “Uzhhorod National University”

ESSENCE OF THE CONCEPT OF «CAPITAL»: HISTORICAL ASPECT

The first profound study of the category of “Capital” was provided by Physiocrats. Capital is money advanced in the trade; in production – it is the means of production. Further development took place in the works of William Petty, Adam Smith, D. Ricardo, and J. S. Mill. One of the first interpretations of the idea of human capital was given in “Political arithmetic” by W. Petty.

Karl Marx and his followers made the largest contribution to the development of the category of “Capital”. They were the first to transfer capital to the social sphere of relations.

From 90's of the XIX century the views of representatives of neoclassical trends became leading ones. They distinguished two approaches to the essence of capital. At the macro level it is the complex of means of production, provided with labour and land resources. At the micro level it is the owner's part of his wealth that he can use to generate income.

Particular attention should be paid to the view of A. Marshall that human abilities as the means of production are equally important as any other kind of capital. He notes the role of human capital in total process of the production of value added.

Representatives of the “Recent School” analyze capital as a “fund of purchasing power”, by which the means of production are acquired for use in the qualitative development of the society.

G. Becker and T. Schultz became the founders of the theory of human capital, which studies the process of improving the quality of human resources and is forming one of the central chapters of modern analysis of the labour supply. Revolution in labour economics is associated with the introduction of this theory. Central position in the theory of human capital belongs to the concept of internal rate of return.

In the early 90's of the XX century the world economy has moved to a new level of development – to the “New Economy”. Its main feature is the establishment of social and economic processes, based on the intellectual potential. The transition to a new stage of development entails transformation of the conceptual-categorical apparatus, which requires the establishment of a uniform interpretation and avoiding non-convention in particular of such economic categories as “Intellectual Capital”, “Intellectual Property”, and “Intellectual Capacity”.

SECTION 2. WORLD ECONOMY AND INTERNATIONAL ECONOMIC RELATIONS

Zaiats O.I.

Candidate of Economic Sciences
Taras Shevchenko National University of Kyiv

THEORETICAL BASIS OF INTERNATIONAL ECONOMIC CONVERGENCE DEVELOPMENT IN TERMS OF DEVELOPMENT OF TRADE AND ECONOMIC RELATIONS BETWEEN COUNTRIES

Presently the need for convergence of national economies into world trade and economic relations is a global normality and simultaneously a world progress trend and precondition of subsequent intensification of globalization processes. The mentioned phenomenon is an objective trend of world development from the end of the 20th and the beginning of the 21st centuries.

One of key factors of forming the integral system of world management is internationalization of world economic life, namely convergence of national economies by strengthening industrial collaboration and interdependence of international trade turnover, movement of capital and labour between countries. Regional economic convergence gets new impulses and new quality, obtaining continental and intercontinental forms proved by considerable strengthening the competitive potential of the EU, North America, and Asia-Pacific countries.

The article analyses the existing stand-points concerning theoretical aspects of international economic convergence in terms of development of trade and economic relations between countries and features of convergent processes development. It offers author definition of international convergence as centripetal interaction of structural components of global economic system, complemented with specific mechanisms of institutional relations, determining the nature, conditions and algorithm of integration processes institutionalization.

Problems of economic convergence, development of mutually beneficial relations with countries all over the world, joining international economic relations, search for own place in solving vital problems of the world development are urgent issues of the day, which should be taken into account by all countries, while developing and realizing their foreign-economic policy.

Kharyna U.Y.

Research Fellow

Institute for Economics and Forecasting
National Academy of Sciences of Ukraine

CHINA'S INVESTMENT ACTIVITIES

The article investigates the current trends in the investment activities of the People's Republic of China. The focus is made on exploring the importance of capital inflows and outflows for the economy of China and its establishment as one of the most attractive and powerful investors in the world. The primary goal of the article is reached by tracing the alterations in the investment strategy of the PRC and the volumes of inward and outward investments.

The rise of China as the investor and host economy dates back to the beginning of the 1990s when the government decided to become more open and integrate into the global economy. Over time, official investment policies have changed from tight controls and limiting the inflow of foreign capital to supporting multinational corporations and introducing flexible procedures for attracting funds infusion. As for now, the country aims

at reaching higher levels of global economic interconnectedness and easing investment-related procedures.

The primary accomplishments of the article are estimating the current investment position of the People's Republic of China by determining the key investment partners. That said, China is interested in injecting funds into the most developed economies with the aim of developing relations, countries rich with natural resources in order to drive the domestic economy with the constant access to the required resources, and the least developed countries focusing on increasing the dependence on the Chinese capital and improving its international image. As for the key investors in the economy of China, traditionally they are the most developed countries, which see China as the source of cheap but qualified workforce and recognize its economic potential.

SECTION 3. ECONOMY AND OPERATION OF NATIONAL ECONOMY

Avdieieva O.M.

Postgraduate Student
Donbass State Engineering Academy

NEEDS OF THE LABOUR MARKET ON TRAINING SPECIALISTS OF NEW SECTORS OF ECONOMY

Research of new trends in learning process, which are thought as alternative for now, but can be used in nearest perspective like effective, is held in this article. It is underlined that with each new technological revolution since technology progress, processes of globalization and complication of economic communications have great influence on improvement of national economy. Modern universities underline their role in forming of future technologies and upbringing of future generations. Traditional education generally influenced on the modern level of industrial development and technical progress. Despite further for getting the education on next generations with right complex of knowledge and skills, question solution must be made before universities going to take part in further economic development of the country with forcing competitive

bases. This article is devoted to answers on this question. For achieving the goal, which is Ukrainian labour market in this article, there is a statistic of functioning of education institutions. Comparison of organizations is depending from effect of technical and institutional environment. Defined the priorities of forming of specialists in new spheres of national economy using MOOC abilities. In educating sphere governmental authorities ought to hold adjusted politics about specialists training in connection to the needs of national economy, its technological improving, educational establishments' financing conditions, rising of the teaching and learning specialist's salary level, improving of governmental order for specialists' education on topical tendency to form methods of unbreakable education systems formation etc.

Ashchaulov V.V.

Degree Seeking Applicant at Department of Economics,
Organization and Management of Enterprises,
SHEE «Kryvyi Rih National University»

FORMULATION OF EFFECTIVE MECHANISM ASPECTS OF STATE REGULATION FOR ECONOMIC SECTOR DEVELOPMENT MONITORING SYSTEM

The article presents the main results of the study on determining the formulation of effective mechanism aspects of state regulation for the economic sector development monitoring system.

The mechanism of state regulation of economic sector development monitoring system, the purpose of which is the efficiency and good implementation of monitoring of state strategy and socio-economic sector development according to the conceptual foundations of public sector policy.

The determination of the integral quality index of implementation of socio-economic sector development according to the monitoring objects (economic, social, financial and organizational) got its further elaboration. The use of appropriate tools allows managing and coordinating body to monitor the status and quality of the management strategy content and make appropriate managerial adjustments.

Organizational and management structure of the mechanism of state regulation of eco-

nomical sector development monitoring system in the context of the European integration is determined. Certain functions of coordination, collaboration, accountability, and management tools, which are based on a model of economic monitoring system, are defined.

The Regional Development Council is the highest governing body of implementing the state strategy in the field of economic sector development monitoring system, the main function of which is to ensure effective operation of Regional Development Agencies and Regional Development Fund.

It is proved that along with the mechanism of state regulation of economic sector development monitoring system, the formation of organizational, administrative and economic mechanisms for effective use of existing competitive potential is also important. Therefore, organizational and economic mechanism of the sector competitive recovery, which is based on the use of the identified reserve potential competition, is considered.

Vasiunyk T.I.

Student,

Department of International Economics

Ivan Franko National University of Lviv

MECHANISM OF STATE REGULATION OF CAPITAL REPRODUCTION

The approaches to the state regulation and state regulation of capital reproduction in particular are considered in the article. The definition of proper government regulation of capital reproduction is proposed – it is the determined impact of state by the economic, organizational, control and other measures, which are aimed for identifying the needs in capital, finding ways and sources of reproduction for the purpose of its efficiency in the national economic system.

Purposes, functions and main tasks of state regulation of capital reproduction are defined. It is stated by the author that the main task of state regulation of capital reproduction is to ensure sustainable economic growth and development and

create a holistic mechanism of the reproduction.

Based on the research the scheme of state regulation of capital reproduction is proposed.

It is determined by the author that most scientists consider the mechanism of state regulation as a system of interdependent elements that interact during exercise influence over the management. However, the mechanism of state regulation of capital reproduction is appropriate to be presented as a complex component structure that reveals the essence of state regulation of capital reproduction and appears in ensuring interaction between subjects and objects of such regulation, forming an integral system of asymmetric influence of its elements.

Plotnikova M.F.

Candidate of Economic Sciences, Associate Professor,
Senior Lecturer at Department of Innovative Entrepreneurship and Investment
Zhytomyr National Agroecological University

Bului O.H.

Candidate of Economic Sciences, Associate Professor,
Head of Department of Innovative Entrepreneurship and Investment
Zhytomyr National Agroecological University

AREAS COOPERATIVISATION AS A MECHANISM OF THEIR INNOVATION AND INVESTMENT DEVELOPMENT

Reduction in the number of settlements in Ukraine is 17 units per year, and about 600 settlements count from 1 to 10 estates, in which people live. Simulation of development of rural settlements, which number in 2015 in Ukraine was about 100, having a steady upward trend each year (in 2001 in Ukraine there were 2 settlements, in 2008 – 10, in 2015 – 98). Initiated by the Government of the Association of local communities within the districts they further land and budget issues, develop territories, act as a unifying factor of all the subjects that act within it. A logical continuation of the state initiatives is a cooperative form of life and economy in rural areas. The key issue in this case is the energy-informational system of accumulation of power, able to resist unwanted changes and to promote, preserve and enhance quality components, at the same time transforming it into its rhythmic dynamics and diffusion in a large system (with diffusion).

Development understands the growth potential and capacity of the system in its quantitative and qualitative properties of this potential. Development is manifested in the increase of exogenous and endogenous reactions of influence, catalyzes and multiplies the systematic irreversible processes of formation and functioning of energy-informational influences, which determine the increased stability of the system as a whole and its separate components for simultaneous targeted orderly structuring of the environment, and increases the quantity and quality of its elements.

The planned revival of the network of settlements in rural areas is due to environmentally conscious and responsible inhabitants of cities, the introduction of organic production and permaculture design, non-waste of life (including deployment of renewable energy), noospheric education (dietary methods of education and upbringing as direction of the coherent conscious perception of the world), enhancement of natural and appropriate activities, support and enhancement of biological diversity, creation of biosphere reserves and recreational reserves, including through the organization of institutions of green and rural tourism, restoration of soil cover and prevention of water and wind erosion, laying the foundations for energy security through the not planting fruit trees (30-50% of the territory, for comparison, the standard level of forest cover for Ukraine is 20% recommended – 22%, whereas in practice the average observed level is 15.6%, followed by a downward trend until the eighteenth century the average level of forest cover in Ukraine was 40%). Another promising direction of activity of rural communities is the cultivation of elite seeds, together with research and academic institutions. Such practice is applied in the cultivation of seeds of grain and leguminous crops. In particular, the cultivation of elite seeds of soybean settlers of Kiev region, together with scientists and farmers NSC "Institute of agriculture NAAS" in 2015 has improved the efficiency of economic activities and the content of phosphorus and nitrogen in the soil structure and increase its fertility in the settlements.

Cultivation of endangered and medicinal plants, promotion of berries: blueberries, cranberries, blueberries and the like – is a promising trend for export activities, particularly in organic production. The practice of procurement of raw materials for herbal teas, the spread of arts and crafts promote self-employment in rural territories, food and economic security. Another promising direction is the employment of settlers is planting willow and miscanthus that in addition to soil

restoration and conservation functions solve the issues of energy security and energy efficiency of the territories, providing 10-20 t/ha of biomass. Such plant species as amaranth, vetch, mustard, red seed, and sorghum palciste, are actively cultivated by the settlers, maintain soil fertility and increase humus. Use of by-products allows obtaining of higher productivity due to the use of biomass as a food item, cover crops, raw materials for fertilizer and the formation of humus.

Stopochkin A.I.

Candidate of Economic Sciences,
Lecturer at Department of Social Sciences and Informatics
Wyższa Szkoła Biznesu – National-Louis University
Nowy Sącz

SUSTAINABLE SOCIAL AND ECONOMIC DEVELOPMENT: ITS CORE IDEA AND METHODS OF ITS EVALUATION

Nowadays, the stable socio-economic development is one of the most important problems of mankind. The substance of “stable development” is to maximize economic and social benefits from the process of development of the national economic system providing the environment protection and to ensure the long-term regeneration of natural resources. However, the weakness of many national social and economic systems to political and economic influences from the outside in some cases eliminates all the benefits of opening up international markets and globalization in modern conditions. It determines the necessity of the production of effective public programs for stable development.

The stable socio-economic development is the realization of three interrelated and mutually conditioned objectives: the creation of more competitive, high-performance and low-cost economy; the raising of the living standards of the population; improvement of the environmental condition.

The logical question is about the reasons why this or that national economy requires a stable development. Talking about Ukraine, the State security is the main reason, for which

is required not only the growth of the national economy, namely its stable development.

The indicators of stable development are tools for getting the information about the status and dynamics of the economic, social and environmental components of the national socio-economic system and serve as a basis for the adaptation of the existing system of national economy. So, the population quality of life is the main measurer (indicator) of the effectiveness of the development and implementation of national strategies for sustainable development of socio-economic systems, which is based today on the existing statistical data, can be measured with the help of the composite index of synthesis.

The article suggests the method of calculation of the generalizing index that can be used in long-term planning, forecasting and evaluating the effectiveness of the functioning of the national socio-economic systems. Using this index as an indicator of conformity of the socio-economic situation in Ukraine, the situation in the European Union member states, can show prospects for solutions to issues such as: the opening of a visa-free regime, the extension of national producers access to the European market.

Terletska V.A.

Postgraduate Student at Department of Theoretical and Applied Economics
National University "Lviv Polytechnic"

PROSPECTS OF MACHINE- BUILDING INDUSTRY IN UKRAINIAN BLACK SEA REGION

In most developed countries machine-building industry covers the leading sector of civil engineering and industrial production over the world. In the developed countries, the industry is strategic because it provides the development of many related industries, promotes the assimilation of high technologies, creation of final products with high added value, and contributes to the employment and bring appropriate charges to budgets. It is reasonable to develop machine-building industry in Ukraine as a strategic one. Due to the necessity of withdrawal of related industries economic stagnation, there are the problem of employment and the reducing of the outflow of capital abroad. This is a strategic branch of the economy, where a potential of a country is being formed. Therefore, the study of development of this area in Ukraine and in Ukrainian Black Sea region is of particular relevance.

The main problems of the domestic machine-building industry are relatively low technical and economic level, poorly developed production of components, improper implementation capacity of international scientific and technical cooperation, lag in implementing environmental standards, unresolved problem of recycling old cars; although the development of machine-building industry in Ukraine has all the necessary resources, namely industrial base, skilled workforce, but the current domestic machine-building industry is underdeveloped.

The current domestic machine-building market products are characterized by instability, unpredictability and tough competi-

tion. Research, analysis and evaluation of performance machine-building supply market conditions of production Ukraine is an urgent matter because the industry is strategic and promising. Given the above, it is reasonable to search for theoretical and practical approaches to analyzing and evaluating performance for offers market conditions of domestic machine-building production. The structure of production of most domestic enterprises is specialized, but for sustainable development and competitive advantage, they are trying to maintain technological and industrial capacity production of different segments. Specialization of production results is in the fact that different companies compete in different markets of machine-building products, and the competitive situation in various markets machine-building products differ among themselves.

The article investigates, analyzes and characterizes the dynamics of industrial and including engineering and automotive products of Ukrainian Black Sea regions for the years 2010-2013. The dynamics of industrial production of Ukrainian Black Sea regions has been researched and presented in tables for the years 2010-2014. The dynamics of industrial products (goods and services) per capita of the population is showed. The dynamics indices of industrial production of Black Sea region is displayed for the years 2010-2013. The dynamics of the indices of industrial production for the basic types of activity and capital investment in the industry is presented and described.

SECTION 4. ECONOMY
AND ENTERPRISE MANAGEMENT**Vyslobodska H.P.**Assistant Lecturer at Department of Statistics and Analysis
Lviv National Agrarian University**PROVISION NEEDS RESERVES OF AGRICULTURAL ENTERPRISES
IN AGRICULTURAL PRODUCTION SERVICES**

One of the key factors forming the foundation of the economy is the needs. The concept of "need" is extremely broad. Most economists agree that in the broadest sense it refers to the objective necessity of conditions and means of human existence. The needs manifest themselves in all spheres of human activity. And depending on the sphere of manifestation there are distinguished economic, political, intellectual, social and other needs. The economic needs are those that are generated in the production process or other objective conditions and are met by the products of human labour. They always act as an objective need for consumption of goods and services. Needs are also divided into production and non-production or personal. Production needs are the needs for the means of production those are raw materials, energy materials, production technologies, manpower, information etc.

Consumption of agricultural production services belongs to the production needs. Agricultural production services are an indispensable element of the production process in agriculture, without which is impossible to produce products. This is particularly evident in the area of crop production.

Needs for the production of agricultural services are quite specific. Of course, they are difficult to be presented in digital terms, because part of the data is the data management accounting that is intended only for internal users.

In the study the volume of production services consumed by the agricultural enterprises of Lviv region has been shown and analysed. On the basis of this study the forecast for the consumption volume of the future agricultural production services has been constructed.

Future needs in the production of agricultural services we determined on the basis of the size of the planned acreage of crops.

The total amount of crop mechanized operations has been calculated. This amount was determined on the basis of the flow charts of cultivation, the scope of works in animal husbandry. In order to determine the need for technical means it is necessary to have variable and annual rates of output, coefficients of variability and technical readiness.

The article also partly represents such segment of agricultural production services as farms that also have a need for agricultural production services.

To determine the needs of businesses in the agricultural sector the survey was conducted using a specially designed questionnaire. Some of the survey results are presented in the article.

Having determined the future volumes of necessary services, the ways to cover the needs for agricultural production services have been proposed. With this aim the algorithm of choosing the best source to cover the needs of agricultural production services has been developed.

Klymchuk A.O.

Candidate of Economic Sciences,
 Doctoral Student at Department of International Economic Relations
 Khmelnytskyi National University

CONCEPTUAL APPROACHES TO THE PERSONNEL MANAGEMENT OF INDUSTRIAL ENTERPRISES

In the article the development of basic concepts and approaches of effective personnel management in historical sequence are studied. The main purpose of the article is the disclosure of the content and theoretical substantiation of conceptual ways of human resources industry. In this aspect the problems of personnel management in modern enterprises are reviewed. It is noted that under the influence of evolutionary concepts the modern concept of «strategic human resources management» is formed, which contains the basic provisions humanistic ideas with the latest information and organizational technologies.

In this way, the approaches to the development of schools, concepts and theories of effective HR management can be presented in the following groups of concepts:

- classical concepts (covering the period of 1880–1930 years);
- concept of human relations (1930–1950 years);
- concept of human resources, including human behaviour theory (originating from 1960);
- modern concepts (since the 80s of the twentieth century).

The author reveals in historical order set of views of scientists about the nature of personnel management at the enterprise, which dates back to classical political economy, which laid the foundations of scientific management; followers of systematic approach, who promoted the use of a new method of personnel management – «social engineering»; then – an integrated approach development to the analysis of human resource management issues, that existed in the Ukrainian theory during the 1920 years; concept of administration; concept of bureaucratic organization; so-called “Hawthorne research”; concept of management by objectives.

The article noted that the evolution of concepts of personnel management contributed to the nature changes of the relationship between employer and employee, the role of HR division in the structure of the enterprise. Prospects for further research in this area are to improve conceptual approaches to personnel management for industrial enterprises that would provide a comprehensive solution of the problems concerning its various aspects.

Koval V.V.

Doctor of Economic Sciences,
Professor at Department of Applied Economics
Odessa Institute of Trade and Economics
Kyiv National University of Trade and Economics

Kolesnikova E.S.

Senior Instructor at Department of Applied Economics
Odessa Institute of Trade and Economics
Kyiv National University of Trade and Economics

CONTEMPORARY FOUNDATIONS OF ECONOMIC ANALYSIS OF MARKETING OPERATIONS

The article describes the directions of the economic analysis of ideas about the product potential to evaluation and selection of innovative projects. The influence of socio-cultural factors of the macro-environment to the marketing activity of the company is discovered. Possibilities of application of marketing researches in the field of innovative activity of the enterprise to conduct gap-analysis in the determination of market segments are determined.

In the modern conditions of the enterprise activity there is a need to justify management system with its marketing activity using the methods of economic analysis for efficiency improving of decision-making, especially in the field of innovation. In addition, taking into account the social-cultural and economic factors in the functioning of the marketing system it is one of the objectives of improving the efficiency of business activities of any entity. In the theoretical developments of the domestic scientists partly were examined the task of carrying out of the market research in the domestic business, namely in partial consideration of the factors of socio-cultural nature that affect the final economic result, which makes possibility to consider these problems in future developments.

Questions about studying marketing models and methods taking into account cultural factors were engaged by leading scientists: V. Ilyin, P. Kotler, F. Rogers and others. They consider culture as an important market factor and characteristic of consumer that

their theory describes cultural factors only by external manifestations. Modern scholars M. Mark H. Klein and Karl Pearson in their works emphasize to take into account in models underlying cultural factors and reveal conceptual questions of analysis of marketing activity.

The need for development and implementation of innovative products or complement of the existing product lines as a rule occurs in the process of analyzing of strategic areas of business enterprises of corporate type. Probably, that such decision may be as a result of trends of consumers' requirements. In addition, the rapidly changing of modern economy marketing criteria is varied in the process of their importance and relevance, requiring of the formulation based on measure of the social-cultural character.

In the article is presented the justifying of marketing activity of enterprises as a process designed to meet the needs of consumers, which is manifested in particular, and taking into account social-cultural factors of business. Economic analysis of marketing activity supposes determining the presence and action resources and results of marketing activities, its structure and properties, as well as identifying causal factors to affect to the business. There are not only market factors, economic, technical and technological factors but the social-cultural factors in this article.

The need for the development and implementation of innovative products may occur

in the analysis process of strategic areas of economic activity. The process of developing and breeding innovations to market comprises the steps from generating ideas till the

start of commercial sales. Effective business innovation policy should include a thorough marketing concept of new products in the early stages of innovation.

Korolovych O.O.Senior Instructor at Department of Accounting and Taxation
Mukachevo State University**IMPROVING THE APPROACH TO THE ESSENCE
OF ORGANIZATIONAL SUPPORT FOR MONITORING
FINANCIAL SECURITY OF SMALL BUSINESS**

The approach to nature of financial security organizational control of small business has been improved in the article including: specific structural approach to the essence of organizational support is investigated; specific regulatory and methodical approach to the essence of organizational support are investigated; specific research approach to the specific nature of organizational support is studied; nature of organizational support of state financial control of financial security for small business is identified. The results can provide scheme of basic structural parts of organizational support of state financial control, which is based on the structural regulations, as a set of documents that are necessary to ensure a high level of organization appropriate control.

Provision formed by the author allow to state that organizational support for state control of the financial security of small enterprises should be considered a set of interdependent and interacting structural elements (within the organizational structure of government financial security) and the rules operating as the system, and creates con-

ditions for normal flow of control processes and transactions that can occur in such a system. This comprehensive organizational support of state financial control will acquire functional and structural characteristics.

It is found in the study that the structural characteristics of organizational support are formed within a hierarchical organizational structure of state control of financial security – as an ordered set of interrelated elements that are interconnected in stable interrelations (provided by using horizontal and vertical relationships). The presence of horizontal and vertical linkages makes the operation and development of the structural elements of state control as a whole, through a combination of coordination mechanisms.

The results can provide a scheme of basic structural parts of organizational support of state financial control, which is based on the structural regulations, as a set of documents (e.g. standards, rules and regulations) that are necessary to ensure a high level of organization of the relevant control through regulation or restriction of controllers work and control process.

Safonov Y.M.

Doctor of Economic Sciences, Professor,
Professor at Department of Macroeconomics and Public Administration
Kyiv National Economic University by Vadym Hetman

Patynska M.M.

Researcher of Department of Macroeconomics and Public Administration
Kyiv National Economic University by Vadym Hetman

**FINANCIAL SUPPORT OF SOCIAL ESTABLISHMENTS:
STATE, PROBLEMS, WAYS OF THEIR SOLUTION**

The problem of financial support of social establishments is very important in modern conditions of development of a social oriental model of market economy.

Research of a state of funding, legal basis, size of financial resources, which state spends for functioning of social establishments, will help to denote the ways of improving of financial support. It determines the theme of research and its actuality.

A modern model of funding of social establishments is mixed: estimated and budgetary (based on state and local budgets), inter budget transfers (subsidy of equalization, subvention, and extra money), extra-budgetary (services and doing jobs according to a contract with enterprises and organizations on a paid basis, sponsoring payments, grants etc.)

In the process of analysis of financial support of social establishments it was found: during the 2011-2016 sizes of budgetary appropriations are increasing; the biggest part of expenses is budgets of all levels; there is a tendency to increasing of local budgets' financial resources; propor-

tion of money of special fund according to other sources of financing is insignificant. But the biggest part of money is used to pay for public utilities and energy carrier, which prices are constantly increasing, to buy goods; It is being observed instability and insufficiency of financing; absence of effective mechanisms of financial support; slowly inculcation of progressive methods of planning and management of financial resources, besides programme – purposeful method for effective using of state money, involving alternative sources of financing. The aforesaid gives the possibility to affirm that present system of financial support does not give quality social services.

The ways of problem's solution are given: improving of process of forming and distribution of financial resources; activating in involving of sponsoring help, changing of a legal basis about charity; working out of effective methods of monitoring of special fund' money; using progressive technologies of management of budget; using of programme – purposeful financing.

Stefaniuk U.F.

Assistant Lecturer at Department of Management of Organizations
named after Y. Khraplyvyi
Lviv National Agrarian University

IMPROVEMENT OF FORMATION AND USE OF FARM ENTERPRISES' LABOUR POTENTIAL

The article considers a set of urgent issues about formation and use of labour potential of farm enterprises in Lviv region. Also features of formation and use of labour potential of farm enterprises are examined. Developed a model of qualities of farm enterprises' labour potential, concept of improvement of formation and use of labour potential of farm enterprises. In order to concretize the concept of formation and use of labour potential of farm enterprises, scheme of institutional agents influence on forming and using labour potential of farm enterprise is developed. Factors of improvement of farm enterprises' labour potential use are given. Finally they have a direct influence on formation of the main efficiency indicator of labour potential use – labour productivity. Increase in level of labour's technical equipment is not less important factor of improvement of farm enterprises' labour potential use. Solution of this problem is closely associated with solution of problem of produc-

tive efficiency increase and growth of state support of farmers' income. Considering the latter, newly established farm enterprises must have an opportunity to participate⁴ in various government support programs. At the same time a rhythmicity of material and technical provision of farm enterprises is of great importance.

In modern conditions the most of farm enterprises have a narrow specialization. They usually concentrate their economic activity either on crop production or cattle breeding production. Such a type of specialization does not require integral combination of branches of plant growing and cattle breeding in one farm enterprise, as specialized enterprises are enough to maintain economic interrelations with enterprises of AIC of provender milling to produce pork and poultry meat.

Developed proposals to improve an effective labour use at an enterprise, which is actual and necessary task for development of farm enterprises.

Stryi L.A.

Doctor of Economic Sciences, Professor,
Professor at Department of Economy of Enterprises
Odessa National Polytechnic University

METHODOLOGY OF SCIENTIFIC RESEARCHES: FEATURES OF RESEARCH ORGANIZATION USING THE INTERNET

In the article some features of realization of modern scientific researches are considered with the use of possibilities of the Internet: governed and ethic requirements of ICC/ESOMAR to realization of scientific researches with the use of the Internet; methodology of research of users is the Internet; the model of organization and realization of scientific researches is presented at the use of the Internet, synthesized by an author.

In the XXI century development and expansion of possibilities of the Internet in an economy is one of basic factors of increase in effectiveness of enterprises' economic activity. The scale of the use of the Internet possibilities in economy, science, culture and other spheres of human activity allows widely using of possibility of Network in scientific researches.

All researches that are conducted in the Internet must meet standards and spirit of the International Code of ICC/ESOMAR practice, and also to other corresponding laws – both international and national.

In the article some methods of research of the Internet users are recommended: questionnaire of visitors of web server; questioning with the improved index of return; canvassing in Netnews.

In the article the model of organization and realization of scientific researches is presented at the use of the Internet, worked out by the author. A model supposes 4 stages of research.

First stage. Determination of research aims. Development of working hypothesis. Determination of aims must be conducted on the basis of all-round analysis of the investigated problem. Simultaneously with

determination of research aims the system of criteria on that it is possible to estimate the degree of achievement of the put aims is developed. Formulation of research aims and establishment of the system of criteria of their achievement give an opportunity to work out the working hypothesis of research. Completed working as of the first stage formulation of research conception.

Second stage. Development of working tool, choice of research methods. A working tool is totality of methodologies and facilities of collection, methods of treatment and analysis of information for verification of working hypothesis of research.

Third stage. Collection of information, realization of special researches. The process of empiric data receipt usually includes primary researches (new capture of data) and secondary researches (use of already present material).

Fourth stage. Analysis and treatment of the collected information. Basic maintenance of works at this stage consists in extraction from the collected data of the most essential information and results. It is also necessary to eliminate unreliable, inexact and distorted information.

Fifth stage. Presentation of the obtained results, development of recommendations on making decision. Conclusions must directly follow the results of research and be argued. They must not be a volume; not include descriptive and second-rate material.

Feature and dignity of the presented model is the use of the Internet possibilities at all stages of research. Other feature and also dignity of model is the use of feedbacks.

SECTION 5. DEVELOPMENT OF PRODUCTIVE POTENTIAL
AND REGIONAL ECONOMY**Lovochkin M.O.**Graduate Student at Department of Political Economy
National Economic University named after Vadym Hetman**RISK MANAGEMENT PUBLIC-PRIVATE PARTNERSHIP IN UKRAINE**

In the article the problems of the risk of public-private partnerships are investigated. It is determined that the established mechanism of partnership between the state and the private sector needs to be justified because public-private partnerships are mostly long-term with significant investments and risks, which determines the need to identify risk participants to be considered in the rationale for the choice of models and forms relationships state and private sector. The main risk members of public-private partnerships are the state and the private sector. It is found that at the time of risk partners should shift some of the risk to third parties involved in the implementation of the project, and the occurrence of risks the private partner public-private partnership should provide guarantees on full compliance with its obligations to third parties, involved in the project under the public-private partnership. The typical risks of infrastructure projects of public-private partnerships (force majeure, political, design / engineering, construction,

operational, financial risks, the risk of return / supply risks in the environment and the risk of default) and their hypothetical location. Revealed the principles of risk-sharing of public-private partnership. Risk management of public-private partnership is at the stage of signing the agreement on the implementation of public-private partnership between the state and the private sector, which reduces risk management very shortly before the start of the project. This in turn causes the need for effective mechanisms to predict the risk management stage of the competition with the private partner definition and finally fixed in the contract for the project of public-private partnerships. The basic approach to risk assessment of public-private partnerships is considered. Expert analysis method for risk assessment of public-private partnership, which involves the use of the method and the method of ranks preference, is specified. Depicted efficient allocation of risks in public-private partnership.

Markina I.A.

Doctor of Economic Sciences, Professor,
Poltava State Agrarian Academy

TENDENCIES IN UNIVERSALIZATION OF HIGHER EDUCATION IN UKRAINE: TENDENCIES, PROBLEMS AND PROSPECTS

The necessity of finding opportunities for transformation and universalization of higher education in Ukraine is described in the article. The main features of current state of higher education in Ukraine are analyzed and described. The main problems in the national system of higher education are defined, which decisions outline the list of strategic areas of its development: downgrade of index of human capital, lack of institutions guaranteeing the formation of state order for training specialists in various disciplines, fragmented knowledge, dispersion of expenses on higher education, ineffective motivational component of a higher school teacher. Areas and features of universalization of higher education are specified. Their main idea is the following: transformation of universities in enters of regional development programming not only in economic but also in social, cultural and ecological sense; formation of a new – innovation and business – model of university; need for revolutionary change of traditional ideas of higher education, which includes the reformation, knowledge associated with the need to “life-long learning”.

Higher education development is one of the key factors of international positioning of Ukraine, when human potential gives an opportunity to place Ukraine among developed countries, whereas by the set of other indicators it belongs to developing countries. Use of society education and human capital quality as leverage will allow Ukraine to keep its place among states able to influence on world processes. Education should help Ukraine to meet the challenges facing it in social and economic spheres considering national security protection and state institutions strengthening.

Universalization of national system of higher education should be aimed at forming of omnifarious knowledge and skills of graduates, their professional and personality characteristics on the basis of interaction and harmonization with elements of university education. Universalization should become apparent in the system character of activity of lecturers and students, holding of theoretical practices and practical trainings, educational, scientific and practical work, scientific methodological, technical facilities and technologies of education.

SECTION 6. MONEY, FINANCES AND CREDIT

Aleskerova Y.V.

Doctor of Economics, Senior Lecturer at Department of Finance and Credit
Vinnytsia National Agrarian University

**FISCAL MECHANISM OF SOCIO-ECONOMIC SPHERE
AS A PART OF THE STATE FINANCIAL MECHANISM**

The analysis is shown that there are a significant number of formation issues of fiscal mechanism of socio-economic sphere as a part of the financial mechanism, which remains not illuminated and needs a study, because it is the key to revitalization of socio-economic development of the economy. It is revealed that fiscal mechanism of socio-economic sphere is a part of financial mechanism of the state. Local budgets are the main instrument of social and economic mechanism at the regional level, it is important to distribute responsibilities and competences between the executive authorities and local government in the area of income and expenditure. Socio-economic infrastructure is only a part of the socio-economic sphere.

Summarizing the views of different scholars, socio-economic infrastructure should be considered as a set of objects of specific socio-economic areas, which contribute to the development and maintenance of society's life activity, while ensuring with a high living standard of population and acting as a long-term resource base of public goods provision. The basis for the production and recovery of public benefits is the state budget.

Author's vision of meaningful fiscal performance mechanism of socio-economic sphere as part of the financial mechanism of the state, and certain aspects of importance in this area are given in the article.

It is proved that the socio-economic policy as a key component of official policy is always included in the first priorities of Ukraine.

Prykaziuk N.V.

Candidate of Economic Sciences, Associate Professor,
Department of Insurance and Risk Management
Taras Shevchenko National University of Kyiv

Tlуста H.Y.

Candidate of Economic Sciences, Associate Professor,
Department of Insurance and Risk Management
Taras Shevchenko National University of Kyiv

Kovbasa T.S.

Student
Taras Shevchenko National University of Kyiv

**INVESTMENT OF ASSETS OF NON-STATE PENSION FUNDS:
TENDENCIES AND PERSPECTIVES**

The authors have found that today the issue of investments capacity of non-governmental pension funds assets in the economic crisis plays an important role not only in providing additional social protection of the population, but also as an opportunity to improve the socio-economic policy of the state. The necessity of studying the tendencies that characterize the level of state and market development and proposing ways to improve are offered.

The essence of non-state pension funds is investigated, its object is defined and strict legal restrictions on the directions of investment of pension assets, which reduce their level of reliability, are described.

As investigated, the increase in investment resources of non-state pension funds provides the economic growth and mobilizes long-term resources for financing development projects in our country. Progressive foreign experience in the sphere of investment activities of private pension funds is considered. The authors have found that some countries do not set investment restrictions at all.

As determined, conditions of unstable economic situation for protection of pension assets of non-governmental pension funds raises the important issue of diversification, which will promote efficient investment and increase in pension contributions and the number of funds members.

Main structure of investment portfolios of non-state pension funds in Ukraine are

considered and analyzed in the article. The authors have noted, that Ukrainian funds are invested mainly in less risky deposit instruments, also in securities and corporate bond, and it is also distinguished that the excessive concentration of one type of asset in the portfolio is not always safe, so the investment strategy should be more weighted than other financial institutions. It is also accented, that funds almost do not practice the attachment of assets in precious metals and foreign securities.

Moreover, the five-year comparative analysis of non-governmental pension funds is made, which eventually demonstrates that private found do not practice investment of pension assets in shares of foreign issuers, their income earned from the investment of pension assets is declined. As explored, it is necessary to pay attention to the problem of underdevelopment of socio-economic policy, of the stock market and raising the welfare of the population. The authors have proposed that in order to improve the security of the assets, funds should minimize risks and invest in unpopular, low-yielding, but more reliable assets such as precious metals, government securities or Eurobonds of Ukraine denominated in foreign currency.

Summarizing this study requires, despite the experience of other countries in this area, in terms of the proposed recommendations and the growth of attracted, non state funds will be further significant development prospects.

SECTION 7. ACCOUNTING, ANALYSIS AND AUDIT

Yershova N.Y.

Candidate of Economic Sciences,
Senior Lecturer at Department of Economic Analysis and Accounting
National Technical University "Kharkiv Polytechnic Institute"

**FORMATION OF STRATEGIC MANAGEMENT ACCOUNTING
AS INFORMATION SYSTEM TO SUPPORT THE PROCESS
OF STRATEGIC BUSINESS MANAGEMENT**

In the article the urgency of research of the system of strategic management accounting is justified. Strategic management accounting is proposed to be considered as modern technology information support of the strategic management process. The results of a survey of executives and top managers of industrial enterprises regarding the quality of information support of strategic management process are presented. The need of information support for strategic management process is confirmed on the results of the survey.

Formation of accounting and analytical support of strategic management process from the standpoint of system approach is justified.

The significance of the synergetic effect of economic information integration for the development of new methodological tools of strategic management accounting is presented. The author's definition of stra-

tegic management accounting is given. Tasks of strategic management accounting based on the author's understanding of the nature of strategic management accounting are defined. The basic requirements to the information formed in the system of strategic management accounting are defined.

General scheme of accounting and analytical support of strategic management process is developed. The problem of information support at all levels of decision making is formulated. Information support of strategic management process of the enterprise based on the model of Vensil/Lagrange is proposed.

The main stages of pre-design researches on creation of information-analytical system of enterprise management are summarized. Approaches to the organization and functioning of the strategic management accounting at the enterprise are formulated.

Zasadnyi B.A.

Candidate of Economic Sciences, Associate Professor,
Doctoral Student at Department of Accounting and Auditing
Taras Shevchenko National University of Kyiv

**ADAPTATION OF UKRAINIAN ACCOUNTING
AND REPORTING SYSTEM TO THE IFRS**

The use of IFRS in the accounting and financial reporting among legal entities in Ukraine leads to a number of tasks and challenges of methodological, methodical and technical nature that require further investigation and continuous search for solutions.

The purpose of this study is to analyze the experience of different countries regarding implementation of IFRS and using the results of this analysis to define and justify the main advantages and disadvantages of the use of IFRS in the accounting and financial reporting in Ukraine, as well as to identify key areas for adaptation of accounting and financial reporting in accordance with IFRS.

The paper explores the use of the international financial reporting standards in different countries, and using this experience as a foundation, revisits some major advantages and disadvantages of the IFRS implemen-

tation process for the purpose of corporate financial reporting in Ukraine. The paper also establishes the essential trends in adaptation of national accounting, auditing and reporting standards to IFRS, such as harmonization of the companies' financial, administrative and statistical reporting, as well as the wider use of the basic principles and approaches of IFRS in the accounting practices and financial reporting in Ukraine. The efforts to adapt the existing Ukrainian accounting practices and reporting standards to IFRS stem from the worldwide processes of globalization, the entry of local businesses to the new capital markets, and the need for attracting foreign investment. Thus, the introduction of IFRS in Ukraine will help to create a transparent and comprehensive system of accounting, reporting and control over the operations of various economic agents.

SECTION 8. MATHEMATICAL METHODS, MODELS
AND INFORMATION TECHNOLOGIES IN ECONOMY**Hryhorets H.O.**

Student, Faculty of Information Technologies and Computer Science
National Technical University of Ukraine «Kyiv Polytechnic Institute»

Pysarenko A.D.

Student, Faculty of Information Technologies and Computer Science
National Technical University of Ukraine «Kyiv Polytechnic Institute»

Lobodzynska T.P.

Candidate of Economic Sciences, Associate Professor,
Senior Lecturer at Department of Theoretical and Applied Economics
National Technical University of Ukraine «Kyiv Polytechnic Institute»

**IMPACT OF THE IT INDUSTRY ON THE GROWTH
OF UKRAINIAN ECONOMY**

At the moment IT is almost the only segment in the overall economy of Ukraine, which continues to grow. It is caused by the increase in the global IT-market and preparation of qualified IT-specialists, who are able to develop unique software products, which have no analogues in the world, and are in great demand among the leading companies. Due to the higher growth and greatly less needs for financial and material investments, compared with the traditional sectors of the economy (metallurgy, machine building, chemical industry), the IT-industry provides creation of new jobs, increases tax revenue and economic development in general. Products and services, which are generating by enterprises of this industry, are in high demand in foreign companies. Their usage by domestic enterprises, in the conditions of globalization, promotes efficiency and ensures economic growth. So improving the competitiveness of the Ukrainian IT- industry in the world will help to maintain the stability of financial system and economy of Ukraine as a whole.

In the article were investigated and analyzed market conditions of information technologies, Internet influence on the economy, direction of state support for the IT industry, identified problems in the training of qualified IT professionals, established that the main direction of extension of the IT market

is outsourcing, suggested factors that contribute to the development of IT industry and its influence on the growth of the Ukrainian economy.

Ukraine currently has all factors for the successful development of IT-industry: political willingness for progressive changes in the economy, rather high level of availability of qualified IT-specialists, financial and investment support from the world-leading countries.

From the result of survey it is found that for the dynamic development of IT-industry and its impact on economic growth is necessary to:

- ensure effective tax incentives for the employees of the IT-industry at the state level;
- ensure protection of intellectual property rights;
- overcome corruption;
- attract foreign investors;
- inform potential investors by spreading the information about the favourability of IT-market in media;
- facilitate public access to the Internet;
- create research centers and innovation parks for the development of IT- infrastructure;
- enter the extension and improvement of the educational system for IT- professionals;
- intensify the struggle against IT-piracy;
- increase the usage of information technologies in various industries.

Successful implementation of these measures will contribute to development and growth not only the IT industry, but also the economy of Ukraine as a whole.

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