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SECTION 1. ECONOMIC THEORY AND HISTORY
OF ECONOMIC THOUGHT**Piasetska-Ustych S.V.**Candidate of Economic Sciences, Associate Professor,
Senior Lecturer at Department of Economic Theory
Uzhhorod National University**CORRUPTION AS A SYSTEMIC PHENOMENON
IN UKRAINIAN ECONOMICS**

The problem of corruption is accompanied the development of human civilization for many centuries. In spite of condemnation of such practices and recognition of the harm it does, society has not been able to overcome this serious problem. For Ukraine, the problem of corruption became more serious in recent years, having a substantial impact on political, economic and social life of the country. Corruption puts the development and existence of the Ukrainian state at risk. At the international level, Ukraine has acquired a reputation of an extremely corrupt country, as it confirmed by the high corruption ratings.

This topic is particularly relevant due to the low effectiveness of efforts to combat corruption in Ukraine, which in turn results in threats to its national security. This problem creates the need for economists to systematically investigate the corruption phenomenon, its nature and causes.

Corrupt economic relations do not come out of the blue; they are a reflection of the deformation of socio-economic systems in society. The growth of corruption causes real harm to the economy of the country, negatively impacts the social atmosphere, undermines economic security and damages the country's image abroad, thereby making it less competitive in the global market.

Corruption also poses a risk in the private sector, but combating corruption in state authorities remains the priority. Our view is that in order to solve this problem, it is not enough to take economic, organisational and

legal steps; a fundamentally new system for the interaction between the state and society should be formed, with particular emphasis on civic institutions. There should be a complex and multidisciplinary approach to analysing corruption issues so as to create a single system for its diminution. At the basis of this approach should be economic measures targeted at corrupt economic interests; the ideological basis for these actions should be created by civic institutions.

Most existing research focuses on political and legal measures as the means to combat corruption. While these factors are significant, it is important to note the economic nature of corruption, namely the tilt toward the private economic interests of those in power, which contributes to the phenomenon. To minimize corruption, the economic bases for its spread must be removed.

The article analyses the nature of corruption as a system-creating factor of the shadow economy and investigates its influence on the socio-economic system of society. The article sets out and analyses both the causes and the forms of corrupt relationships, and suggests an algorithm for government and society countering such corrupt aspects of the economy. The analysis shows that the shadow relations are a systemic problem in the development of national governance, which threaten not just national security but also create an increasingly negative influence on the socio-economic system of society.

SECTION 2. WORLD ECONOMY AND INTERNATIONAL ECONOMIC RELATIONS

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PATENTS AS TRIGGERS FOR RELATIONS OF ECONOMIC NEODEPENDENCE

The article makes an attempt to address the meaning of essential mutations in the dependence theory, because in times of the knowledge-based economic the concept of “dependency” calls for closer attention for the two central reasons. Firstly, although the concept of “dependence-based development” is not accepted by us, especially from the long-term perspective, we do believe that absence of production means may be the principal barrier for industrial modernization in peripheral countries. Manufacturing of production means can exist only in developed countries possessing advanced technologies as a key factor for survival in the knowledge-based economy. Secondly, the backwardness in economic development terms cannot be confined to the sum of economic variables, because they are also the social structures and the processes determining this sum. The issue of speed and strength is a crucial one in the new industrial game. The cumulative process, either in terms of quantity or in terms of speed of industrial production, cannot be accessible for many. This will inevitably make the periphery depend on the center

from technological point of view. Transfer of a technology is an important issue including this technology assessment in parallel with the country’s capability to capitalize on this technology, to master it and adapt to the local environment. In other words, transfer of a technology is supposed to combine access to the technology and its acquisition with its effective utilization for the benefit of economic development and catching up development in technologically backward countries. Accessibility and acquisition of an advanced technology are, therefore, insufficient per se to ensure local technological and industrial development. We argue that a supplementary central component of a strategy for technological development at the country level is technological effort aiming at mastering, adaptation, possession and improvement of a technology, which involves the permanent process of technology exchange. This approach to the components of cross-country technology exchange allows us to refute the optimistic assumption that the globalization per se is capable to ensure the equal technological advantage for all the regions and economic agents.

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TRANSMISSION CHANNELS OF INTEGRATED ECONOMIC ENVIRONMENT: ROLE OF TRADE AND FINANCE IN GLOBAL COOPERATION

An attempt is made to deal with the controversy between globalization benefits and the related openness and allocation effectiveness and threats triggered by this openness, which lead to the increasing dependence of economic growth and national welfare on exogenous factors implicit in regionalization processes. Integration is studied by taking important functions at the macrolevel, such as inflow and outflow of capital, trade profile, with account of the role of microeconomic aspects, which implementation requires a longer period. The channels of impact of trade and finance on the development of integrative interaction between countries are analyzed, with emphasis on relations at the macrolevel, which occur in the process of global cooperation. It is shown that the increasing cross-country discrepancy in the rates of economic growth and welfare cannot be determined by the production function of a national economy; another determinant can be the centeredness of its financial and trade relations, whereas optimal utilization of the available production, resource, labour, R&D and innovation capacities act as the supplementary conditions for the effective positioning of a country in the global mar-

ket. It can be proved that the existing disproportions in the development at region or country level will be even higher in the chain "national economy – regional association – global economy".

It is argued that the lower are mutual trade tariffs, the wider is the gap in resource capacity and other factors creating comparative advantages, and the weaker is the barriers for trade inside a region compared to the barriers for trade with thirds countries, than the higher are the advantages from establishing regional trade associations. Accordingly, the loss of effectiveness over change in directions of trade depends on the discrepancies between the mutual trade tariffs and the tariffs in trade with thirds countries. The correlations between economic growth, direct foreign investment and portfolio investment are determined in the study. The need for the selective and targeted economic policies in the post-crisis situations in the developing countries' markets is substantiated. The effects of direct foreign investment for generating economic growth are analyzed; it is proved that direct foreign investment is a more effective tool for growth than other types of financial flows, like loans.

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DEVELOPMENT PROSPECTS OF EXPORT-ORIENTED BUSINESS STRATEGY OF THE BLACK SEA REGION'S ENTERPRISES

Development of foreign trade of the Black Sea region is an important expansion of interaction between different regional economies within a single national economy of Ukraine. A characteristic feature of foreign trade was its liberalization, which led to changes in foreign economic strategy and priorities. It required changes in the structure of foreign trade policy, which are based on installing new form of organization and management of foreign economic activities of the Black Sea region.

The integration of the Black Sea region in the world economic environment is impossible without the formation and export structure of national and region economy. It includes identification of priority sectors and industries. Black Sea region includes the AR Crimea, Mykolaiv, Kherson and Odesa areas. The main enterprises-exporters in

Mykolaiv area are JSC "Mykolaiv Alumina Plant", and enterprises of the shipbuilding industry. Business activity of enterprises of Kherson area in foreign economy is growing, but further development of foreign economic activity of enterprises of the area requires appropriate government support. In Crimea conditions for stable development of foreign trade are created. These conditions in autonomous republic have made increasing exports, reducing imports and the volume of goods exchange (barter) transactions. Odesa area also shows good potential in foreign economy activity.

However, the absence of proper resource support of the country, technological gap with the developed countries and low income make cheap labour the only source of competitive advantage enterprises-exporters of the Black Sea region.

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GEO-ECONOMIC REGRESSION MODEL FOR POST-SOVIET COUNTRIES

Article built regression models for most post-Soviet countries to compare several neighbouring countries that are geo-economically important for individual countries in the region. It is possible to compare how financial and monetary mechanisms are similar within the region or with outside countries. Available estimates suggest that the integration and reform in the regulation of financial markets should be adapted to the differences in the functioning of financial markets.

The relationship between the dynamics of the financial market of the CIS countries and other macroeconomic indicators should be determined on the example of the banking segment of financial market using regression-correlation analysis. As the dependent variable in models constructing the monetary aggregate M2 growth in local currency is chosen. More useful would be information on the M3 or M4, which include more range of financial instruments and stock market indicators, including the dynamics of market capitalization. However, recent indicators for post-Soviet countries are less available for the selected time period. Investigated period includes 1996-2015 years.

As independent variables are selected growth of foreign exchange reserves in dollars and the real GDP growth, which in most cases show a correlation. These two variables describe how dynamic of resource base of the banking sector is caused, respectively, by 1) external (exports, imports and foreign investments that affect the dynamics of foreign exchange reserves) and 2) internal factors (GDP growth).

The correlation between M2 growth and foreign exchange reserves amounted to 0.56, between M2 growth and GDP growth – 0.68. At the same time two independent variables together correlated weakly (0.26), which reduces the problem of multicollinearity. As a result, the model for Ukraine is:

$$GM2 = 24.40 + 0,135GFER + 1,35 GGDP$$

Where GM2 – growth in M2, %

GFER – growth of foreign exchange reserves, %

GGDP – real GDP growth, %.

The coefficient of determination of 0.62 is quite high and statistically significant for the F-criterion. t-statistics indicates statistical significance of both regression coefficients of the independent variables.

SECTION 3. ECONOMY AND OPERATION OF NATIONAL ECONOMY

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FEATURES OF STRATEGIC MANAGEMENT IN THE CONDITIONS OF ECONOMIC DEVELOPMENT

Economic development is a process of functioning and evolution of the economic system in a long-term period that is characterized by the change of the market and productive state of affairs while a considerable role is played by the investment, innovative, technical and technological factors of economy development.

The main driving force of economic development is material and spiritual values of human, and the contradictions of economic system elements, among which are: the productive forces, technical and economic relations, property and economic mechanism. Modern problems of economic development are associated primarily with the intellectualization of labour, giving the highest priority to the processes of production of new knowledge that is able to provide socio-economic progress of the Ukrainian society.

Strategic management is the realization of conception that combines purposeful and integral approaches to the enterprise activity, which gives an opportunity to set aims of development, compare them with present possibilities (potential) of enterprise and bring them to conformity by development and realization of the strategies system.

Strategic management is a process, by means of which managers carry out long-term management of organization, determine specific aims of activity, develop strategies for the achievement of these aims, taking into account all relevant (most substantial) external and internal terms, and

also provide implementations of the worked out corresponding plans, that are constantly developing and changing.

Strategic management provides an enterprise with:

- 1) means of foresight and adaptation to the changes of environment;
- 2) tools for co-ordination and integrations of operations that often can be diversified and geographically separate;
- 3) mechanisms to create necessary connection between formulation and realization of a strategy.

Thus, a strategic management is the administrative process, which is sent to the construction of such dynamic system, that would give an opportunity to provide in good time determination of mission, values, vision, aims and strategies, development and implementation of the system of plans, improvement of enterprise and its separate subsystems those are a basis for the increase in its competitiveness and existence in a long-term prospect.

Thus, in our opinion, strategic management is the conception of choice in certain conditions. It gives more or less concrete idea about how organization should look like in the future: in what surroundings it will have to work, what position should occupy in the market, what competitive advantages should have, what changes should be done in organization. Also it is aimed at creation of competitive advantages of enterprise and establishment of effective strategic position

that will provide future viability of organization in changeable terms.

Thus, it is possible to draw conclusion that enterprises, which own a strategy and introduce a strategic management, always have an opportunity to behave in a consistent manner in the business in particular and in a market dynamic competition environment as a whole that increases probability of

achievement by them of the put aim. Therefore introduction of the strategic management system in Ukraine is objectively a necessary process in the field of organization of business management, which promotes the willingness of enterprise organizations to react adequately on unforeseen changes, and assists the reasonable, concerted solving of both current and strategic problems.

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PREREQUISITES AND NECESSITY OF NATIONAL ECONOMY EFFECTIVE STRUCTURE CONCEPT FORMATION IN UKRAINE

Based on conducted researches in terms of self-organization concept it is determined that internal factors influence deserves special attention since their ignoring is the main disadvantage of this concept. In modern conditions of Ukrainian economic system functioning among influential factors are considered executing a counter-terrorism operation and occupation of the Autonomous Republic of Crimea and Sevastopol. In this relation there are changes of foreign-economic policy toward Russia and reconsideration of European integration vector to the strengthening of political and economic ties. Thus, in the process of researches factors of external and internal influence are considered as influential factors, which have a political nature and form directions of economic system development in Ukraine.

Low effectiveness of national economy transformations in Ukraine is first of all

concerned with the economic imperfectness of industrial production and the lack of clearly orientated vector of agrarian sector transformation. Obtained results evidenced the necessity of further research of transformational shifts concerning macroeconomic indices and agriculture development indicators.

Transformational vector of agrarian economy development should be considered by structural shifts, which are expressed by appropriate indices that include analysis of macroeconomic, financial-economic and socio-ecological indicators. Researches proved the chaotic dynamics of main macroeconomic indices, in particular, volume of foreign direct investment, amount of business' profit. In turn it gave an opportunity to determine that economic system of Ukraine is in the stage of degradation.

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METHODICAL APPROACH TO THE MANAGEMENT OF THE INVESTMENT POTENTIAL OF THE COMPANY

The current state of economic development of Ukraine is characterized by instability, unpredictability of the conditions of economic development slow, stiff competition, low profitability, insufficient financial resources and more. So the issue of investment attraction are relevant for the majority of businesses in Ukraine.

Effective management of the investment potential of the enterprise promotes optimal use of investment resources and creates the ability to achieve tactical and strategic objectives. The results of scientific investigation determined that the investment potential of the company as a set of economic resources that can be mobilized entity and businesses as possible to use these resources to achieve strategic goals.

The formation of the investment potential of the company influence the various factors which should be grouped into three

groups: the factors to which the company's management has the ability to influence; factors to which the company is unable to influence and factors influencing the investment potential on a level field. Study of factors affecting allow to develop and implement measures to minimize adverse effects and to achieve the objectives of the enterprise.

In order to ensure effective management developed a methodical approach management investment potential, which will significantly increase the effectiveness of the management of the company and will be the basis for sustainable further development of the company in the future. The advantage is a detailed illustration of the proposed actions in achieving the necessary level of investment based on the implementation of the successive stages of reference for the strategic development of the company.

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EFFECTIVENESS FACTORS OF SOCIALLY ORIENTED MODEL OF MARKET ECONOMY

The focus of this article are main phenomena of socio-economic development models, factors of their effectiveness and problems that lead to the formation of crisis in the system of national economy. It is revealed that the modern market economy is based on such economic relations between labour and capital, which become not only a means of development of the relations of production, but also a means of democratization of society, which in turn leads to an increase in the level of social security and public security.

The article concludes that there are no pure market economies, i.e. economies with minimal government intervention in the production and distribution of national wealth. With regard to this fact, relevant is the study of the problem of optimization of the level and direction of state influence on the processes of development of the national socio-economic systems.

The research allowed identifying of two basic models of market economies. First is the Anglo-Saxon (or liberal) model, which is characterized by the lower level of state intervention in the production and distribution of national wealth. The second is the

model of coordinated (socially oriented) market economy, where the state actively intervenes in commercial and distribution processes, which is the basis for the high level of social and public security. The second model in comparison to the first one is more effective and crisis-resistant one.

The paper investigates the underlying causes and factors of efficiency of socially-oriented model of the market economy development. The investigations led to the conclusion that the main reason for the effectiveness of the coordinated market economy model is its social orientation. It is the social orientation that causes more equitable distribution of national wealth, which in turn provides higher level of personal income and, therefore, leads to the high level of consumption and savings. It's a well-known fact that the consumption and saving in its nature are direct and potential investments. Furthermore, the investment is the basis for the national economy development. Thus, by coordinating the processes of production and distribution, the state generates and coordinates certain investment flows, which are the source of sustainable development of the national socio-economic systems.

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ANALYSIS OF DYNAMICS OF FOREIGN DIRECT INVESTMENTS AS A FACTOR INFLUENCING THE MARKET CONDITIONS IN UKRAINIAN BLACK SEA REGION

The value of coastal regions for the economy is determined primarily by their significant transportation and distribution potential. The key global trend is the growth in world seaborne trade, which is the most cheap, accessible and economical. Improving the competitiveness of coastal regions is particularly important in light of the proclaimed policy of European integration. The European Union pays special attention to maritime policy, conducts regular consultations with national governments, industry groups and non-governmental environmental organizations. Modern microeconomic and macroeconomic situation in our country and in particular in the Ukrainian Black Sea region activates the need to improve the competitiveness of products and services to domestic enterprises, which is possible through innovation, which in turn, is impossible without investment. Possibilities of innovation development necessitate research investment dynamics, which provide the basis for determining investment strategies of innovation and development of domestic enterprises and affect market conditions. The policy of socio-economic modernization of Ukraine is directly related to the provision of balanced regional development, more complete disclosure of internal capac-

ity, benefits of economic specialization of regions. Coastal regions play an important role in the economy of Ukraine. They have significant resource potential and competitive advantages due to their geographical location, natural, human, industrial, transportation resources, but the region has difficulties to maintain sustainable development. The region needs significant foreign direct investment in various development sectors. Given the above, it is reasonable to explore and analyze the dynamics of foreign direct investment in the Ukrainian Black Sea region.

The article investigates, analyzes and characterizes the dynamics of foreign direct investment as a factor influencing the market conditions in the Ukrainian Black Sea region and other regions of Ukraine in tables and in the form of graphics for the years 2010-2015. The dynamics of foreign direct investment per capita in the region and other regions of Ukraine is researched and presented for the years 2010-2015. The dynamic rate of growth (decrease) in foreign direct investment in the region is displayed for the years 2010-2015. Attractiveness of the regions of Ukraine for the year 2015 is determined. Definition of "market conditions" is presented.

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STATISTICAL ANALYSIS OF STATE AND DYNAMICS OF HOUSEHOLDS DEVELOPMENT IN UKRAINE TO IMPROVE MANAGEMENT DECISIONS MAKING AND THEIR STATE SUPPORT

Changes in socio-economic situation in Ukraine cause transformation of households' behaviour models, their nature and function as an economic entity. Market transformation formed new requirements to the state to provide support for households, and caused the urgent need to reform the structure of the institutional environment to provide their vital activity. As a result the greater topicality is acquired by the problems of analysis of state and dynamics of households' development and providing scientific grounding for management decisions aimed

at steady sustainable development of households in Ukraine.

The article presents a statistical analysis of the state of domestic households, trends and problems of their development, and search for effective management solutions to solve existing problems.

The article considers the main indicators characterizing the development of households. The trends, dynamics and problems of households functioning in Ukraine are analyzed. The measures that will contribute to improve making up management decisions aimed at the support of domestic households are suggested.

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INNOVATIVE POTENTIAL AS ASSESSMENT OF EFFECTIVENESS OF RESEARCH AND INNOVATION ACTIVITIES IN SCIENTIFIC INSTITUTIONS OF AGRARIAN SPHERE

For the agrarian science today the actual question is a competitiveness of own scientific research results, forming of an effective mechanism of bringing them to the state of innovations and realization of innovations, which will give an opportunity to obtain additional financing sources for further scientific researches. In this context the issue of increasing effectiveness of use of generated scientific research results the determination of criteria for assessment of scientific researches and developments gets its actuality. The purpose of the article is to determine the essence of concept "innovation potential of intellectual product", its structure and criteria for its assessment in order to form an effective system of producing of competitive scientific researches and developments in scientific establishments of the agrarian sphere.

Concept of innovative capacity of intellectual product is formulated as an availability and readiness for the use of system of appropriate means and resources to get a commercial result. The concept of innovative capacity depending on the level of economic system structuredness is considered as: innovative capacity of the national economy (macrolevel); innovative capacity of a branch (meso-level); innovative capacity of a single enterprise (microlevel);

innovative capacity of intellectual product (nanolevel). Criterion for assessment of an innovative capacity of intellectual product is an integral index, which includes product assessment by such aspects of scientific and innovational process as informational, legal and economic aspects. Criteria for assessment of informational component are the level of novelty, possibility to commercialize the intellectual product, sufficiency of resources for market promotion. Novelty level of intellectual product is determined as a level of distinguishability from famous and now using analogues. Possibility of commercialization of intellectual product is evaluated on the basis of marketing researches of science intensive market. Sufficiency of resources for market promotion suggests the evaluation of certain opportunities for intellectual product's market entry. Criterion for legal aspect assessment is the evaluation of the ownership level of intellectual product. Level of rights monopolization is considered as an organization of system of legal protection and intellectual product protection from the unauthorized use. Criterion for economic constituent assessment is the ability for ownership rights enforcement, economic evaluation of cost value, marketing assessment of product price.

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CURRENT TRENDS OF DEVELOPMENT OF LIFE INSURANCE ENTERPRISES IN UKRAINE

The basic directions of the development of life insurance enterprises in Ukraine are considered in the article. The achievements of these financial institutions in increasing the volumes of insurance premiums, accumulated insurance reserves, as well as in increasing the number of people insured under life insurance contracts are stated. The special sensitivity of life insurance companies to economic crises and political problems that may occur in the country is pointed out. It is concluded that the successful development of insurance companies in Ukraine is possible in terms of a stable economic and political situation in the country and implementation of effective public policies to stimulate the insurance industry. The main problems of life insurance companies in Ukraine include: insufficient spread of this type of financial services among the population, low interest of employers in the development of this type of insurance and inadequate public policy to stimulate the process of securing citizens' lives. Decrease in income and living standards of citizens, depreciation of the national currency, reduction in the tendency of population to savings,

high inflation expectations, etc. are the negative factors that limit the development of the studied insurance institutions in the present conditions.

To revitalize the activity of life insurance companies it is necessary to improve the state regulation of the insurance industry in the context of stimulating the development of this area of insurance coverage, to expand investment opportunities of insurers in the conditions of an unstable situation in the foreign exchange market, to predict effective tax incentives for the insured under life insurance contracts and to increase the requirements for financial stability indicators and reliability of insurance institutions. The investment policy of insurance enterprises needs improvement as well as increasing the revenue from existing insurance reserves. The implementation of these directions will provide not only the impulse to develop the domestic insurance market, but also will enhance the role of the studied institutions in financing economic growth and increasing the volume of domestic investment resources.

SECTION 4. ECONOMY AND ENTERPRISE MANAGEMENT

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ENTERPRISES' PERSONNEL MANAGEMENT

The essence of personnel management is identified as a purposeful impact on the formation of the competence and personnel activity through effective use of resources and social responsibility on purpose of achieving the mission and objectives and reconciling the interests of stakeholders to ensure effective development of enterprises on the basis of innovation.

Theoretical principles, methodological and practical aspects of management of the formation processes, development and efficient use of industrial enterprise personnel are envisaged in the dissertation. Content of the concept "enterprise personnel" is defined as an object of strategic analysis; basic methodological approaches to the evaluation of its development level are systematized; scientific and methodological basis for integrated evaluation of the effi-

cient use of industrial enterprise personnel is formed.

Modern approaches of the personnel services of enterprises producing alcohol to the work with the staff are analyzed, the existing problems in the formation of personnel and evaluation of its efficient use are distinguished. The necessity of implementation of innovative forms of management of enterprise personnel development is proved.

Strategic directions of work with the personnel of enterprises producing alcohol are allocated. Scientific and methodological guidelines for predicting the influence of structural and dynamic characteristics of personnel on its productivity are formed. The system of management of the enterprise personnel development considering its structure and of certain categories of workers is developed.

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INFORMATION AND ANALYTICAL SUPPORT OF ECONOMIC ASSESSMENT OF FARM ANIMALS (ON THE EXAMPLE OF NUMBER OF PIGS)

The study aims to systematize the existing theoretical and methodological approaches and practical recommendations for the formation of information and analytical support for the economic evaluation of pigs.

To achieve this goal the following tasks are fulfilled:

- Described the existing theoretical and methodological approaches to the economic evaluation of pigs;
- Formed the direction of formation of information-analytical ensure economic evaluation of pigs;
- Defined legal framework of economic evaluation of pigs;
- Revealed peculiarities of formation of information and analytical support for the economic evaluation of pigs.

The article discusses the theoretical and methodological provisions for the definition and development of information and analytical support for the economic evaluation of farm animals, taking into account the peculiarities of the pig-breeding industry. It is established that there are different approaches to the definition of information and analytical support for the economic evaluation of farm animals (for example, pigs).

To estimate the number of pigs can be used comparative, cost and income methods. The comparative method is used when there is enough information in the current market.

The essence of the cost plus method is the fact that the value of biological assets can not be less than the costs necessary for their recovery during the reporting period.

The income approach for assessing the pigs is used on the basis of possible future income derived from the sale or change in the productivity of pigs. On the basis of this method a pricing in the area of pig-breeding is carried out.

In international practice, assessment of biological assets mainly carried at fair value, which, in principle, is due to the existing standards.

Regulatory framework is of particular importance for the formation of information and analytical support for the economic evaluation of pigs. It defines the relevant laws, regulations, instructions, and standards.

At the result of research analysis of the theoretical and methodological approaches is carried out that allows considering the information and analytical support for the economic evaluation of pigs as a multi-level system consisting of the regulatory, financial, analytical, functional and management subsystems that allow complex to form a flow of information to make informed management decisions based on quantitative and qualitative characteristics of the pig-breeding industry.

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INTRODUCTION OF QUALITY MANAGEMENT SYSTEMS IN HEALTH CARE FACILITIES

In article the methodology for establishment of an effective quality management system of medical institution as one of the most important criteria of efficiency and quality of the medical establishment is considered. In modern conditions of construction of a new health care system in Ukraine, along with the introduction of state guidelines and standards, a priority direction to improve the quality of care is defined by the introduction of modern scientifically based medical standards.

Medical institutions that operate in the present conditions in the Ukrainian market, should actively promote standards of quality and management standards as the main tool to enhance competitiveness. In the medical field there are many standards. First, medical conditions, standards of safety interventions implemented through accreditation of health facilities. Second, the training of medical personnel by introducing of standardized certification of licensing and medical practice. Thirdly, the medical technology sector by creating standardized database of medical standards. However, restructuring management techniques and the implementation of ISO 9000 in the field of medical technology management only gets momentum.

The author examines how medical industry should be developed as to the new legal framework, representing the ISO 9000 standards, harmonized, and how it should correlate with the current Ukrainian legislation.

The author draws attention to the main directions and stages of implementation of the standard ISO 9001: 2009, offering specific proposals for the action plan.

Development of implementation strategy of requirements of ISO 9001: 2009 should be carried out with the direct participation of the head of medical institution. The success of implementation should be considered as personal success of head of the medical establishment. For each medical institution, this strategy will be an individual, but a standard set of actions on organization work for developing a quality management system, and consists of the following stages: appointment of officials responsible for the organization of work; providing executors with standards and other relevant documents; attracting of external consultants (if necessary); diagnosis of the existing quality system; training of performers; conducting of explanatory work with personnel and their training; allocation of resources needed to fulfil a work in a set time.

Quality management system provides significant benefits to both the organization of large hospitals and small medical centers. These benefits primarily relate to quality control and efficient coordination of activities but the main advantage is the significant improvement of the quality of care without significantly increasing in its cost.

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BENCHMARKING AS A TOOL OF IMPROVING THE EFFICIENCY OF ENTERPRISE ACTIVITY

The article is concerned with research of an essence of the notion of benchmarking as a systematic way of identifying, understanding and development of the best in quality products, services, designs, equipment, processes and practices to improve the real effectiveness of an organization. The basic concepts of benchmarking are offered, which were presented by both foreign and domestic scientists. The main types of benchmarking are singled out such as internal benchmarking, competitive benchmarking, functional benchmarking, process benchmarking, common benchmarking, associative benchmarking and global benchmarking. The peculiarities of benchmarking introduction in enterprises are determined. The essence of benchmarking is identified that can be used as a reference object of depth research. The goal of benchmarking using is formed, which consists in improving the efficiency of its own operations and gaining competitive advantages. The subject of benchmarking is defined as technology, production processes and methods of production, market-

ing, and also security. Conditions, based on which the selection of benchmarking type in order to implement it in the enterprise, are stated. The basic principles of benchmarking are given such as reciprocity, analogy, measurement, certainty. The main stages of benchmarking introduction in enterprises are determined – benchmarking definition of the object, the choice of benchmarking partner, information search, analysis and implementation. The tasks, which enterprise solve by using the benchmarking tools, are formed. A number of problems that can hinder the success of benchmarking introduction are outlined. The main objectives of benchmarking in the effective management of the enterprise are given such as identification of the best achievements in the field of enterprise specialization on each period of time; focus on achieving higher results in the near future.

The main advantages and disadvantages of benchmarking introducing in business activity are given. The impact of benchmarking to improve efficiency of enterprises is covered.

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ANALYSIS AND PROSPECTS OF ENTERPRISES OF WINE INDUSTRY IN UKRAINE

The article includes analysis of the current state of the wine industry in Ukraine, including factors that hinder its development, and the conditions for future growth. Modern trends in the wine industry in Ukraine are: lower consumption of wine in Ukraine compared with Europe; saving trend of aging vineyards, deficit of table as well as technical grapes; reduce in wine production; minor or completely absent state support of industry in crisis, which applies to administrative measures (such as quotas or licensing) and financial (duties, fees); deterrent tariff and non-tariff measures (excise tax all types of wine).

Assessment of potential prospects of the industry in the context of export growth and employment in a specific niche market in Europe is given.

Recommendations for improving competitiveness of Ukrainian products of the wine industry in the European market are the following: 1) to engage Ukraine its niche in the market, the business community and government must carefully study the modern world trends and meet their development

direction; 2) unique combination of soil, climate and varietal characteristics allow the creation from Ukrainian grapes exclusive dessert and liqueur wines, which have no analogues in the world market; 3) for real promotion of high-performance viticulture and winemaking in Ukraine it is needed to adopt necessary legal and regulatory documents to bring them into line with already existing standards and harmonize with the EU laws and standards of the international market on grapes and wines; 4) availability of own raw material base for the wine industry enterprises of Ukraine, which is the main competitive advantage; 5) it needs effective marketing activities concerning the exploration of domestic and foreign markets, and Ukrainian wine sales organization in the markets of CIS, Baltic and Scandinavian countries, where there is no their own winemaking; 6) it is required a set of measures for protection from counterfeiting of wine products in the market; the importance of research and innovation activity in the production of wine products should be increased.

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COMPARATIVE ANALYSIS OF STRATEGIC SETS OF DEVELOPMENT OF LEADING ENTERPRISES OF BREWING INDUSTRY IN UKRAINE

The strategic management and forming the strategic set in particular occupy the important place among management technologies, providing efficient activity and development of enterprises in conditions of variability of the environment.

Strategic set is a system of different types of strategies that are developed by the company for a certain period of time, reflecting the specific activity and development of the company. It includes corporate strategy, business strategy, competitive strategy, functional strategies.

Corporate strategy reflects the general trend of development and serves to achieve its mission and common goals. Business strategies are developed in two main directions: product-market strategy and competitive strategy. Functional strategies are used to solve the tasks defined in the corporate and business levels.

Today the brewing industry is one of the most attractive investment sectors.

Strategic sets of leading enterprises of the brewing industry of Ukraine PJSC "Carlsberg Ukraine" and PJSC "Obolon" are analyzed in the article.

Carlsberg Ukraine is a part of the Carlsberg Group – one of the largest companies

in Europe, the fourth in the world by the capital in brewing groups. PJSC "Obolon" is the only Ukrainian brewing corporation that is among forty largest brewing concerns in the world and is one of the leaders of the beer market of Ukraine.

The strategy of PJSC "Obolon" targets to meet the requirements and expectations of customers and to maintain the leading position in the market of beer and soft drinks, with constant attention to prevent pollution and preserve the environment and taking into account the interests of stakeholders. The development strategy of Carlsberg Ukraine is based on generally accepted principles of successful economic existence of companies, one of which is a corporate social responsibility.

The analysis allowed defining some common features in both strategic sets of enterprises. They include: using the principles of corporate social responsibility to form strategies, using the mechanism of marketing responsible, attitude to the staff as the most valuable resource of the company. The main difference is the diversification of production of PJSC "Obolon" in comparison with PJSC "Carlsberg Ukraine."

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CORRELATION OF PRICE TENDENCIES IN WORLD AND NATIONAL AGRO-INDUSTRIAL MARKETS

The article reveals price tendencies in the world and national agro-industrial markets. It is determined that indexes of the world prices of FAO correspond to the prices for food products in domestic market of Ukraine, as well as to sale prices for products by agricultural enterprises under chain method of their calculation. To secure competitive character of the lines of price indexes dynamics, prices in the national agro-industrial market into USD at the annual average rate of UAH are converted.

The work determines considerable differences in the dynamics of basic price indexes. In 2002-2015, the prices rose in the world market, while in Ukraine, consumption prices for food fell. At the same time, prices for products sale by agricultural enterprises increased at high rate, making base for changes of their economic behaviour and deeper concentration at production of export-focused kinds of products: cereals and cereal-legume crops, oil crops, mainly sunflower, rape and soybean. However, only large agricultural enterprises

of agro-holding type have such capabilities. Small agricultural enterprises are forced to be oriented at domestic market, demonstrating fall of prices.

The article determines peculiarities of price tendencies in markets of certain kinds of products. They demonstrate considerable differences.

The research presents statistical characteristics of variations and correlations between the lines of chain price indexes of FAO, consumption prices in domestic food market and sale prices for products by agricultural enterprises. There is a substantial variation in the indexes values in terms of separate kinds of products, making obstacles for the process of strategic planning of production at agricultural enterprises. Values of correlation coefficients prove close connection between dynamics of prices in the world and national markets for most kinds of agricultural products. The work argues their effect on economic behaviour of agricultural enterprises.

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ORIGIN, BACKGROUND AND DEVELOPMENT OF CONCEPT “ECONOMIC SAFETY OF ENTERPRISE”

The concept of safety was conceived a very long ago together with appearance of “homo sapiens” and by the realized desire to be protected from the threats of the outer world. During the period of ancient civilizations the concept of economic safety was taken first of all to the problem of protecting public wealth from the attack of enemies or any other external encroachments, and also protecting of power, property of upper class of society from internal disturbances and rebelling of population.

In the context of the state a term “safety” began used in the early XVII-XVIII centuries, when an idea that a primary objective of the state is an achievement of general prosperity and safety of people, in the European countries has been conceived. As after the theory of mercantilism the basic source of enriching of countries was trade, clear that economic strength of the state security was determined by its success with external trade relations. In the XIX century protectionists considered that penetration to the internal market of cheap foreign commodities is an external economic aggression, and that is why the mortgage of economic safety of the state is the protection of national market from a foreign competition.

During the period when Ukraine was the part of the Russian Empire the most used synonyms of “national safety” were “state security” and “public safety”, which were understood as providing of public peace and calmness, and also fight against state crimes.

The basic principles of communism ideology were submission of individual interests to the state interests. Therefore it is obvious that national safety conception was oriented first of all to defense state interests.

Forming of concept vehicle of economic safety in Ukraine is historically related to disintegration of the Soviet Union and getting of independence. Scientific works of domestic scientists are analyses and generalized; it is possible to distinguish the different ways of understanding of enterprise economy’s content, namely:

- as a protection from unauthorized access to information;
- as a dependence on harmonization of enterprise interests with interests of environment subjects;
- as an enterprise protection from negative influences or threats;
- as an enterprise protection from the methods of criminal competition;
- as a state of firmness or equilibrium of enterprise or effective use of its resources.

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PRINCIPLES OF FORMING OF PERSONNEL INTELLECTUAL ACTIVITY DEVELOPMENT MECHANISM AS AN OBJECTIVE MANAGEMENT FUNCTION

Processes of economy and management intellectualization on the modern stage of development of society are related to the evolution of technological modes and forming of new paradigms of global economic development. On such conditions there is an orientation on trends of these transformations and adequate reacting of enterprises' management on them, actualization and piling up of intellectually creative potential. Intellectual capital – is a human (nations, states, enterprises) ability to create new knowledge, new information in the different spheres of activity, possibility to incarnate effectively and operatively the created knowledge, intellectual products in life, skillfully commercialize it and properly earn on an innovative commodity in order to further development.

One intellectual activity is of recent categories of research of pedagogical, psychological, economic and administrative science.

One of determining concepts of intellectualization research of enterprises management systems is «intellectual activity» of personality of specialist and enterprise personnel as a whole. Exactly from positions of administrative science coming to a head consideration and working of the basic approaches to creation in the management systems of terms for forming and development of intellectual activity of enterprises' personnel. Speech goes about intellectual activity of personality and personnel of the management systems in relation to search, actualization and uniting of intellectual tasks (administrative, economic, technological,

food, innovative, social, personality co-operation) of the competitive edges of enterprise directed on achievement.

Super important driving of human activity and intellectual in particular, to our opinion, are: 1) ideological aspirations to the ideal; 2) aspiring to national, social, economic, historical, competition justice; 3) feeling of pride for the nation, business, command, acts.

Important for a modern management is an option in relation to popularization of flexible environment of personnel intellectual growth, which basic criteria will be: openness, naturalness, trustfulness, sequence, hardness. Such basic fundamental principles of this growth should be acknowledged: every specialist is examined as an autonomous «similarly actualized individual»; absence of forcing to imposing of intelligence enrichment, jurisdictions, knowledge's or experience, which every specialist must seize, in fact meaningfulness of any intellectual achievement should be determined by subjective perceptions and goal creation; synergy of the got intellectual performing is acknowledged top priority of efficiency in intelligence creation for the systems of management; impermissibility of the centralized or authoritarian control and systems of demotivation is in relation to a intellectualization process and its participants; priority of intelligence enrichment is determined by actualization of business and level of increase in competitive edges of subsystems, systems, subsections, levels of management or enterprise on the whole; a reward is differentiated in accordance with intellectual payment of media intelligence and their commands.

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E-MAIL AS EFFECTIVE CHANNEL OF MARKETING COMMUNICATIONS

E-mail marketing is a commercial message to a group of people using e-mail. In its broadest sense, every e-mail sent to a potential or current customer could be considered as e-mail marketing. It usually involves using e-mail to send ads, business request, or solicit sales or donations, and is meant to build loyalty, trust, or brand awareness. E-mail marketing can be done to either sold lists or a current customer database. Broadly, the term is usually used to refer to sending e-mail messages with the purpose of enhancing the relationship of a merchant with its current or previous customers, to encourage customer loyalty and repeat business, acquiring new customers or convincing current customers to purchase something immediately, and adding advertisements to e-mail messages sent by other companies to their customers.

Using marketing the following targets can be achieved:

- Increase in overall sales volume

E-mail marketing helps reanimate inactive prospects and turn them into active customers. At the same time, it can warm up cold contacts and convert them to returning customers.

- Increase in average revenue per customer

The easiest way to grow revenue is to cross-sell and upsell to existing customers with e-mail marketing.

- Build a loyal customer community

E-mail marketing efficiently helps communicate with existing customers, which contributes to customer retention.

- Beta test of new products and services

When launching new products and services, their beta test on existing loyal customers can be conducted to collect their feedback and tailor further marketing efforts to reach new customers with maximum efficiency.

The article is devoted to theoretical essentials of e-mail-marketing as an effective tool for business support, which fosters close relationships with existing customers and helps attract new ones. The article also provides differences between e-mail-marketing and spam. Considered types of e-mail-marketing as the main tool of e-mail-marketing, and also singled out criteria of compiling messages. Determined the potential reaction of users to the direct mail from companies of various spheres of economy activities. Overviewed indexes of effectiveness evaluation of channel marketing communications, including conversion as the most frequently used indicator.

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TECHNOLOGY OF ENTERPRISE ASSETS' STRATEGIC MANAGEMENT

Introduction. Any business organization for long-term existence aims to increase the profitability and value of their assets. Goals setting in asset management and their implementation need the organized activities, and the latter – its long-term planning. At the same time the mechanisms of development and implementation of policies, planning forms and methods can be quite different and be able to influence on the organization management system. These problems require forming of science-based technologies of organization assets' strategic management as an integrated system.

The purpose of the article is to describe the strategic business model of enterprise's assets formation and use and determine stages of organization assets' strategic management technology as an integrated system.

Methods. During the research abstraction methods, method of single similarity grouping, critical analysis and specification are applied.

Results. Overview of existing views on the composition of enterprise assets' strategic management technology phases as a corporation management is generalized.

The works of such scientists as A. Thompson, D. Strickland; I. Ansoff; M. Mes-

kon, M. Albert, F. Hedouri; O. Vikhanskyi; S. Popov; Z. Shershniova, S. Oborska; H. Osovska, O. Fishchuk, I. Zhalinska; V. Vasylenko, T. Tkachenko; L. Zaitsev, M. Sokolova; A. Liukshynov; V.D. Markova, S.A. Kuznietsova; O. Kovtun; O. Koro-beinikov are analyzed. Comparing these and other approaches to determine the content of strategic management process, we can state that the basis is often described in the management models sources on the principles proposed by I. Ansoff, H. Mintzberg, M. Meskon and other Western experts. However, although there are rigorous studies on structuring of strategy forming process, a detailed description of the forming assets strategy is not yet implemented.

Scientific novelty. The own conceptual vision of the strategic asset management process from a systems perspective in terms of increasing changes in the environment is proposed. For the first time a strategic business model of assets formation and use are described and an organization's strategic asset management stages are separated.

The practical significance. The results are aimed at improving the understanding of modern financial management leaders and experts of national organizations.

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DEVELOPMENT OF COMPETITION ENVIRONMENT IN COMMUNICATION SERVICES MARKET OF UKRAINE

In the article some results of researches of competition environment development are expounded in the market of communication services of Ukraine for the period of 2000-2015 by the calculation of the Herfindahl index (Herfindahl-Hirschman). Calculations are made for 2000, 2005, 2010, and 2015. In this period the Herfindahl index went down from 3367,5 in 2000 to 1676,2 in 2015. Conclusion is drawn that the competition environment of modern market of communications services of Ukraine corresponds to the market with a free competition.

Authors suppose that competition environment is a totality of different factors of market, in particular amount of enterprises-competitors and their market shares, qualificatory the terms of rivalry (competitive activity) of enterprises and their commodities in this market.

Development of competition environment in the market of communication services of Ukraine was stimulated by transformation of state enterprise the Ukrainian association of telecommunications "Ukrtelecom" in open corporation "Ukrtelecom" that was registered on 5 January 2000.

2000 year. Worked out and realized only some events on development of competition environment. $H = 3367,5$. The state of competition environment in the market of communication services in 2000 corresponded potentially to the competition market. But

value $H = 3367,5$ is considerably more than 1800 value, peculiar for a market, where is a free competition.

2005 year. In the market of communication services the operators of mobile communication began effectively to work. $H = 2973,8$. The state of competition environment in the communication services market in 2005 also corresponded potentially to the competition market. A competition environment began to approach the state characteristic for a market with a free competition (2000 – 3367,5, 2005 – 2973,8).

2010 year. A market of mobile enterprises share grew substantially. For 2010 at the size of $H = 1723$ (less than 1880), the market of communication services can be considered as a market, where is a free competition.

2015 year. A competition in the communication services market in Ukraine grew. For 2015 at the size of $H = 1676,2$ (less than 1880), the market of communication services can be considered as a market, where is a free competition.

The research conducted by authors show that this market began to correspond to the market model with a free competition for last 5-7 years. A few competitive enterprises operate in the market; the level of competition is steady. To the enterprises operating in a market, it is necessary continuously to adapt oneself to the changing terms of competition market.

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METHODOLOGICAL BASES OF ENTERPRISE INTELLECTUALIZATION FOR ECONOMIC STABILIZATION

The problem of development of methodological bases of activity intellectualization on the basis of situations costs modelling is in the centre of attention and is actual for many enterprises.

As experience has shown, economic activity of an enterprises is exposed to both positive, and negative impacts of numerous dependent and not dependent on the enterprise activity factors.

Therefore, investigating factors, which influence the intellectualization of the enterprises activities, there is a need to classify them as in our opinion it will allow defining more opportunities for the enterprises. It is especially important for the solution of the major administrative task – ensuring stable economic development of an enterprise.

The presented classification is divided into two parts: sphere of influence and nature of influence.

Main goal of activity intellectualization is the understanding of a strategic role of various types of intellectual resources as a special type of resources where the place of the basic active element belongs to intellec-

tual resources of a person in a look of various informative abilities. Therefore in this research the algorithm of adoption of administrative decisions on intellectualization of activity of the enterprises is offered.

Need of intellectualization of activity is obvious. A basis of any effective management, in our opinion, is an increase in intellectual activity, which influences the efficiency of functioning of other enclosed resources and therefore at the same time acts as a production process movement factor. Also, activity intellectualization, in our opinion, can make the enterprises more attractive to potential investors or financial institutions.

Thus, as a result of the conducted research the need of classification of factors, which exert impact on harmonization of activity for ensuring stable economic development of an enterprise, is proved. The algorithm of adoption of administrative decisions on intellectualization of the enterprise activity for an effective combination of intellectual and material resources is also offered that allows keeping competitiveness in the target markets, and respectively influences the ensuring of long-term profitability.

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VALUATION OF ENTERPRISE BUSINESS REPUTATION

The purpose of the study is in the system structuring composition and content of the business reputation of an enterprise, adequate justification for the Ukrainian realities approach to assessing its value.

The following tasks in order to achieve this goal in the work are posed and solved:

- to carry out a critical analysis of existing approaches to the definition of the business reputation of an enterprise with a system approach to develop its universal definition, free of value judgments and professional prejudices;
- to investigate the structure of business reputation of an enterprise;
- to discover the essence of the real options method and to develop an algorithm of its application to quantify the value of enterprise goodwill.

The article deals with the essence of cat-

egory «business reputation». The components of enterprise goodwill are considered and systematized. The definition of business reputation of an enterprise with the system approach is given.

Based on the analysis of the theoretical framework for the valuation of enterprise goodwill, it is concluded the prospectivity of using the optional approaches. Shown, that as the mathematical apparatus, adequately providing of reasonable formalization of the uncertainty and instability of the external environment and adequate decisive task of assessing the value of an enterprise goodwill in the domestic reality can be the theory of real options. As further research is indicated the prospectivity to develop methodical bases of valuation of enterprise business reputation in the conditions of uncertainty and instability based on interval method.

SECTION 5. DEVELOPMENT OF PRODUCTIVE POTENTIAL AND REGIONAL ECONOMY

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MECHANISMS OF INVESTMENT PROVIDING OF AGRARIAN BUSINESS FUNCTIONING: REGIONAL MEASURING

Economic development of agrarian business of regions of Ukraine depends on a size and efficiency of the use of the investment providing. At the regional level at the conduct of agribusiness there are difficulties with bringing in of credits and loans, by the presence of plenty of mediators in the process of realization of the prepared products, insufficient monitoring of the state of affairs of food market.

The mechanism of investment activity in agrarian business includes taxation; financial, price, depreciation politics; financial help; state norms and standards; adjusting of participation of investors in privatizing; planning and planning of investment measures; leasing and other kinds and forms of lease of material and technical facilities.

The mechanism of adjusting of the foreign investing in the agrarian sphere of regions' economy should include elements of creation of favourable investment climate: providing of foreign investors complete and objective information about investment situation in Ukraine; forming of integral organizational structure on bringing in of foreign investments.

At the regional level formation of investment space is carried out in very indefinite terms, namely: limits of effectiveness of legislative and executive power in a management of regional development are yet small; absent prognostication of credible consequences of development of market transformations; access to the sources of investment capital is strictly limited, and sources are insignificant; basic investment terms for investors in an accessible for a review prospect are ghostly enough.

SECTION 6. ECONOMY OF NATURAL RESOURCES MANAGEMENT AND ENVIRONMENT PROTECTION

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AGRICULTURAL NATURAL RESOURCES USE AS A SPECIAL COMPONENT OF ECONOMIC RELATIONS AND TRANSFORMATIONAL CHANGES

It is determined that many-sidedness and multidimensionality of ecological and economic problems of agrarian natural resources use actualize the need for forming a system approach to the investigation of its essential characteristics, positioning as a part of economic relations and transformational changes in the direction of providing of socio-economic development of society and environmental security.

Accordingly, **the purpose** of the article is on the basis of analysis of modern scientific-methodological approaches to determine systematically important role of agrarian natural resources use in the economic relations' system taking into consideration transformational changes in the agrarian sector of economy.

Revealed the essence, analyzed the role and place of natural resources in the system of economic relations and transformational changes. It is concluded that economic self-sustainability of state and its regions depends exactly on these resources' reserves, quality and certain technical-economic characteristics. Such a condition requires not only increasing in efficiency of natural resources use in production, but their efficient attracting without detriment to renewable natural forces and protection for future generations.

Based on the generalization and taking into account changes of socio-economic development of society, rate and character

of natural resources attracting in economic circulation the appropriate conceptions of natural resources use are distinguished. It is concluded that the most acceptable is an ecological-economic concept, which supposes ecologization priority in high production efficiency providing.

Conceptual approach to the study of agrarian natural resources use sphere is implemented using the research of its essential characteristics, namely, determining of object, subject, purpose and functions.

Revealed specifics of natural resources ownership relations as a basis of legal institution of rational resources use regulation. It is determined that an appropriate consideration of all features of natural origin and real state of natural objects has a significant impact on the specifics of natural resources ownership relations' regulation of the agrarian sector.

Based on the analysis of modern state of agrarian natural resources use it is concluded that overuse of natural resources, imperfectness of forms and manner of their attracting to reproducing process need a reconsideration of their use priorities and working out of clear target orientations of further development strategy.

Grounded target orientations of strategy of development of agrarian natural resources use sector that suppose a transformation of agrofood sector with its simultaneous ecological adaptation.

SECTION 7. DEMOGRAPHY, LABOR ECONOMY,
SOCIAL ECONOMY AND POLITICS

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**ROLE OF EDUCATION IN THE FIGHT AGAINST INEQUALITY:
THE CASE OF BRAZIL**

In the last few years there has been a growing interest in studying relations between economic growth and inequality. New researches show that when income inequality rises, economic growth falls. And it is usually reported that human capital positively affects growth. These works tend to confirm the idea that low education and unequal access to education are obstacles in economic growth. Even, education could be viewed as the main factor contributing to the reducing income inequality and to accelerate human capital and development.

We focus on the case of Brazil. On the basis of this paper, we wish to investigate whether the programme Bolsa Família is effective in the fight against the poverty and inequality through the improvement of education system.

We have considered the impacts of Bolsa Família on education in Brazil and it is not hardly surprising that Bolsa Família has a positive impact on school attendance, literacy rate, dropout rate and pass rate. But access and quality of school system are distributed among sexes and regions unequally. Bolsa Família has the best successes in northeast region, the poorest region of the country. With regard to sexes, women reach better results than men in all indicators related to education. Summing up the results, it can be concluded that the Bolsa Família has one important weakness: the low proficiency of recipients of Bolsa Família.

Continuing research on relations between education and inequality and on impacts of Bolsa Família on education system in Brazil appears is fully justified.

SECTION 8. MONEY, FINANCES AND CREDIT

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ROLE AND IMPORTANCE OF CORPORATE SOCIAL RESPONSIBILITY AS A COMPONENT OF FINANCIAL MANAGEMENT OF ENTERPRISES

In the current economic environment there is a changing nature of business and the idea of its purpose and basic functions. In the information, post-industrial society with greater force declares itself searching and building a civilized model of relations between business and society, and therefore becomes obvious social need for socially responsible business.

The study aims to review and deepening of theoretical positions essence of CSR, analysis of the main reasons of social responsibility in business management, formation of the principles of social responsibility and development of scientific recommendations for their implementation.

Social responsibility – responsible for the impact of its decisions and activities on society and the environment through transparent and ethical behaviour that: contributes to sustainable development, including health and the welfare of society; takes into account the expectations of stakeholders; violating and consistent with international norms of behaviour; integrated into the activities of the entire organization applies in its relations.

Corporate social responsibility is not just a modern concept that underlies PR-activities of enterprises. This is a necessary part of the operation of any successful entity,

whose aim is to achieve a leading position in the market and their safety. Corporate social responsibility – a voluntary contribution of business to society, which is carried out through social investments aimed at professional development and social protection of personnel, support for health, sports, culture, education, environmental protection and so on.

Corporate social responsibility contributes to more effective achievement of their strategic objectives enterprises because it allows making long-term investment in creating a favourable social environment.

Properly implemented concept of CSR can provide a number of competitive advantages for enterprise, including: better access to capital and markets, greater sales and profits, improved decision-making and risk management, saving operating costs, increase in productivity and quality, efficient base of human resources, strong reputation, greater customer loyalty and more.

Adhering to the principles of social responsibility, organization maximizes the score in the long run, on the one hand, to motivate adherence to corporate social responsibility, and, on the other, has a positive effect on society as a whole. Thus, the business sells its basic needs for survival, economic security and stability.

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FISCAL DECENTRALIZATION IN FRANCE

Today the decentralized structure of public finance management is increasingly implemented by developed countries, as the increase of fiscal autonomy of local authorities enables to rationalize and optimize the cost of providing public services. Ukraine also continues steps towards fiscal decentralization, particularly important is to study the problems and obstacles faced developed democratic countries, among which, of course, is France, and mechanisms and tools that allow them to successfully transform the financial system to a more decentralized structure.

Since Ukraine aspires to join the European community and has a similar with France experience of a centralized management system, including public finance, the need is to study the French experience of the implementation of fiscal decentralization.

In France, the term refers to the concept of decentralization policy of 1968-1990 years

and was used to describe the evolution of observations of French spatial, economic and institutional organization. The policy of decentralization in France was initiated by the French acts of parliament, known as the Gaston Defferre Laws in 1982. Until this the French municipalities and agencies were operating in the conditions of limited autonomy under the law, adopted in 1871 and 1884 respectively.

As a result of reform in France there is formed a cooperative (mixed) model for fiscal decentralization.

Overall, the success and failure of the implementation of fiscal decentralization depends on a combination of factors, including the distribution of political and economic power across the country. Also the effects of devolution depend on a number of concurrent factors. Such factors include the particular features of national and local political systems; specific content policies and so on.

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CURRENT STATUS AND PERSPECTIVES OF FINANCING OF STATE SOCIAL INSURANCE FUNDS

It is proved that one of the important consequences of imbalance of public finance of Ukraine is the low level of social payments both the budget and extrabudgetary state funds. Deficit of financial resources that accumulated in state funds makes it impossible to increase pensions and other kinds of social assistance in adequate size of inflationary processes. On the other hand, the deficit of financial resources in the state social insurance sphere, primarily the Pension Fund of Ukraine, imposes an additional burden on the state budget, generating dependency of public finances Ukraine from debt resources. In this context it is becoming important to diagnose status and perspectives of financing of state social insurance in Ukraine.

The system of state social insurance funds includes Pension Fund of Ukraine, Social Insurance Fund of Ukraine, and Obligatory State Social Insurance Fund of Ukraine against Unemployment. These trust funds are extrabudgetary; their resources are not included in the state budget.

The main source of financing of state social insurance funds is social contribution and its rate decreased in 2016 by half. However, the government hopes that after the rate reduction of social contribution business legalize the labour remuneration fund didn't materialize, social contribution revenues in January-May 2016 fell by

almost a third compared to the same period last year.

Monitoring of the financial support of state funds in Ukraine gives reason to conclude that focus on reforming formal institutions in the field of social security only does not lead to positive fiscal effects, as the features of national mentality affect significantly on the level of businesses' readiness to legalize their incomes and wages of employees. The absence of trust in the government and uncertainty about the adequacy of future tax reforms make businesses to relate to legislative innovations with extreme caution. Reducing the burden on the labour remuneration fund by almost half (from average rates of 41% to total of 22%) by the logic of economic behaviour allows employers to broaden the tax base, reduce tax risks, and ensure employees with a higher level of social benefits. But it did not happen in the domestic realities in 2016. Therefore, further researches should include not only analytical calculations and scientific substantiation of rates of social contribution, which corresponds to the contemporary institutional conditions, and efficient allocation of social contribution between state social funds, but also provide a comprehensive approach to reforming the tax system of Ukraine on the principles of sustainability, transparency and a balanced parity of interests of the state, business and society.

Yukhymenko V.M.Postgraduate Student at Department of Insurance and Risk Management
Taras Shevchenko National University of Kyiv**BANKRUPTCY EXAMINATION OF INSURANCE ORGANIZATIONS
USING PJSC «UIC «GARANT-AVTO» AS AN EXAMPLE**

Insurance provides a central role in ensuring the smooth functioning of the economy. The composition of the insurer's assets and liabilities are the outcome of main factors of providing solvency. The current conditions of insurers activities require impartial and comprehensive analysis of the insurance processes, such as cash flow planning, substantiation of investment projects, adequate reserving etc. The successful operation of the insurance company largely depends on its financial situation and solvency.

The paper devotes to research of the probability of bankruptcy of insurance organizations based on early warning models of financial instability. The study provides a diagnostics of the financial condition using a particular insurance organization as an example and financial reporting data as well as makes an appropriate conclusions.

The paper similarly demonstrates the results of research on examining of bankruptcy probability at insurance organizations.

The study also examines compliance with legal requirements of bankruptcy prediction for insurance organizations using indicators of bankruptcy prediction. The similar approach is used in many countries with developed insurance markets. These indicators help to disclosure a financial condition of the particular insurer complexly based on the early warning tests. These tests are used in many developed countries with some differences in measurements quantity. But they are pretty convenient and very effective tool during long time.

This work argues for taking timely measures to the threat of bankruptcy of the insurance organizations by the insurance supervisor. Taking into account a difficult economic situation in Ukraine, the issue of insurance organizations' bankruptcy forecasting should be a priority task of the domestic insurance market and the national regulator of financial services.

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DETERMINATION OF ECONOMIC CAPITAL VALUE AS A METHOD OF BANKING INTEGRATED FINANCIAL RISK MANAGEMENT

The banking risk management is the most important task of any bank, because choosing the right method of risk management will enhance the reliability, stability and competitiveness of the banking system. The problem of choosing risk management method arises because of the existence of a large number of bank risks. In banking practice applies a variety of risk management method, but still has not determined an effective one. This research is to determine the most effective methods to manage the integrated financial risk of the banking institution.

Today, scientists highlight the various methods of banking risk management, which are realized in two main areas: methods of risk avoidance and acceptance of risk.

A variety of components of the integrated financial risk and the specificity of their occurrence and implementation necessitates the adoption of new approaches in risk management, which ultimately leads to the improvement of existing systems in banks risk management.

The problem of evaluating and measuring the various risks is included in the integrated financial risk associated with the using of

various techniques and methods of analysis of each individual risk and the absence of an integrated risk management system.

A solution to this problem is the concept of economic capital, which is applied in foreign financial institutions and recommended for evaluating the measure of the bank riskiness. This concept gives an opportunity to quantify the risks, to calculate the amount of capital required to protect against these risks and to measure the return on risk-based capital.

Economic capital is the amount of capital that a bank needs to ensure that the company stays solvent. Economic capital is calculated internally and is the amount of capital the bank should have to support any risks it takes on. The measurement process involves converting a given risk to the amount of capital that is required to support it. The calculations are based on the institution's financial strength (e.g., credit rating) and expected losses.

Economic capital plays a crucial role in the management of integrated financial risk. The introduction of the economic capital concept will lead to avoiding various kinds of threat in the banking system.

SECTION 9. ACCOUNTING, ANALYSIS AND AUDIT

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MATRIX FORM OF ACCOUNTING ANALYSIS ORGANIZATION

Relevance of the study is grounded by necessity to develop an effective form of organization of analytical activity at enterprise, which promotes increase in value of accounting information, it is determined that analytical functions are not differentiate in the organizational accounting system of modern enterprises. Matrix approach is acknowledged as the most appropriate toolkit of modelling of accounting organizational structure formation processes in order to make possible an increase in value of accounting information. The purpose of the article is to develop a hypothesis that matrix form of analytical activity organization in the accounting system is conducive to the biggest growth of value of accounting information concerning enterprise activity for grounding and making adequate decisions.

Main idea of the proposed concept of matrix form of analytical activity organization in the accounting system lies in the fact that organizational structure of analytical service is forming based on analysis of general functions of economical activity: assessment, diagnostic and forecast. In

accordance with the linear structure vertically an accounting management by topological departments is organizing: financial accounting and management accounting, and also by topological groups: assets, capital, responsibilities, income and expenditure. According to the functions of economical activity analysis horizontally an analytical activity is organizing.

Proposed matrix form of organizational structure of accounting is based on the principle of multiple ordering. Every cell of matrix of analytical activity organization in the accounting system displays main object categories of accounting and qualitative characteristics of processed by analytics in every cell of matrix accounting data, which is oriented to making certain decisions. Proposed concept of analytical activity organization in the accounting system using matrix structure of accounting data flows management allows simultaneously obtaining of differentiated by kinds and time and also generalized by aims analytical data for decision-making separately in every object category of accounting.

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ECONOMIC ANALYSIS IN UKRAINE PUBLIC SECTOR COLLEGES MANAGEMENT SYSTEM

The article highlights the problem of the necessity of appropriate economic analysis conduction at public collages. The problem concerning the article connected to the rationale usage of Ukrainian public funds, as they are the main source of collages activity provision.

To understand the specific features of state and municipal property colleges' operating, its main direction are determined, these are: collage – as a budgetary institution; collage – as an educational institution; collage – as an entity; collage – as an educational market player. This leads to a conclusion that college's economic activity should be analyzed from different points of view, especially according to the rapid development of market economy in Ukraine.

The main types of economic analysis in accordance with collages operation directions are performed. To characterize the economic analysis conduction the elements

of analysis method are disclosed. The main elements are: management demands; informational support; methodological support; organizational support; technical support. Each element is defined in compliance with specific features of public collages economic activity.

The next step of the research is to investigate the most often used economic analysis methods. The author's attention is emphasized on seven methods: horizontal, vertical, trend, comparative, factorial, marginal, coefficient analysis. The methods are shortly characterized.

To sum up the work, performed in the article, the author points out that to optimize the economic activity results of state and municipal property colleges' it is required to develop the analysis methodical elements, which take into consideration the specific features of collages activity. It is also important to perform new methods and techniques of analysis conduction.

Shilvinska O.L.Postgraduate Student at Department of Theory of Accounting
National Academy of Statistics, Accounting and Audit**ORGANIZATION OF INTERNAL COSTS CONTROL
AT HOTEL AND RESTAURANT ENTERPRISES**

Need in improving of methods and control organizational aspects in all the spheres of Ukraine's economic activity are growing under the conditions of market economy. Internal business control demands special attention. It is necessary because the executives, the owners, the investors do not control everyday activity, but they need reliable information with the purpose to make informed and effective management decisions. Hotel-and-restaurant activity has some peculiarities; it is advisable to mention a forming process of cost of production and of services, the system of accounting, taxation. The above mentioned peculiarities have a substantial impact not only on accounting organization, but they also should be considered when internal control of hotel and restaurant business activity is organized.

Timeliness of financial information and continuous monitoring of financial and economic activities are carrying out because of established internal control system.

Every employee must realize its importance, maintain internal control functionality,

and know his or her obligations and authorities in such a controlling.

Internal costs control is an integral part of management system. It is closely connected with the fact that it is impossible to perform any activity without systematic, continuous monitoring of costs incurred within business activities.

The target of internal costs control is auditing of the source data validation as for keeping and writing-off costs, the accuracy costs accounting according to the rules of accounting policies at hotel and restaurant enterprises, and also information validation of incurred costs, which are shown in statements of any enterprise.

Internal costs control of hotel-and-restaurant business is rather laborious procedure, which demands accuracy and competence of an auditor, knowledge of regulatory and instructional materials and ability to apply them in the auditing process.

The well-organized internal control system gives an opportunity to carry out and receive accurate, real information in accordance with current state of an enterprise.

SECTION 10. MATHEMATICAL METHODS, MODELS AND INFORMATION TECHNOLOGIES IN ECONOMY

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RATIONALIZATION OF UKRAINIAN ENTERPRISES' BUSINESS BEHAVIOR BY ANALYSIS OF ADVANTAGES AND DANGERS OF COMPETITIVE INTELLIGENCE AND INDUSTRIAL SPYING

The relevance of the topic is caused by changes in the economy of Ukraine and increasing economic potential of local enterprises. The rapid development of market economy and priority development of technology stimulate Ukrainian enterprises to develop strategic plans not only of economic activities but also strategies to protect all information relating to the activity of enterprises.

Categories of industrial espionage and competitive intelligence in the Ukrainian economic literature are little studied, so the search for the topic of this article is constructed primarily on foreign sources. It is necessary to identify clear boundaries between competitive intelligence and industrial espionage. However, in modern conditions business is characterized by increasing competitive pressure. And this makes finding reliable information sources very important part of analysis the competitive situation in the industry and forecasting competitors' reactions.

Publication is devoted to research of content of competitive intelligence and industrial espionage, their use, effects in Ukraine.

In order to achieve this goal it is necessary to perform such complex tasks, as: delineation

of concepts "competitive intelligence" and "industrial espionage", disclosure laws of formation and development of information system of entrepreneurship, identify their components, factors, dangers.

Nowadays a lot of Ukrainian enterprises in order to increase the amount of goods and services have to compete among them, expand their capabilities and the sales of their products or services, and have to fight for their own customers. That is why the process of collecting, analyzing and accumulating information about the state of an entity or structure of the market is extremely important and necessary.

The object of research is the process of analyzing competitive intelligence and industrial espionage.

The subject of research is the methods and techniques of analysis of competitive intelligence and industrial espionage of the Ukrainian enterprises and foreign companies.

Research methods are the searching for necessary information, its classification, grouping the metrics, comparing, methods of induction and deduction, synthesis method, system analysis, economic, factor analysis.

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