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«Полтавська політехніка імені Юрія Кондратюка»

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«Yuri Kondratyuk Poltava Polytechnic»

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ЕКОНОМІКА ТА УПРАВЛІННЯ НАЦІОНАЛЬНИМ ГОСПОДАРСТВОМ

РОЗВИТОК ПРОДУКТИВНИХ СИЛ І РЕГІОНАЛЬНА ЕКОНОМІКА

ЕКОНОМІКА ТА УПРАВЛІННЯ ПІДПРИЄМСТВАМИ (за видами економічної діяльності)

ЕКОНОМІКА ПРИРОДОКОРИСТУВАННЯ Й ОХОРОНА НАВКОЛИШНЬОГО СЕРЕДОВИЩА

ГРОШІ, ФІНАНСИ І КРЕДИТ

ЕКОНОМІЧНА БЕЗПЕКА ДЕРЖАВИ ТА СУБ'ЄКТІВ ГОСПОДАРЮВАННЯ

СВІТОВЕ ГОСПОДАРСТВО І МІЖНАРОДНІ ЕКОНОМІЧНІ ВІДНОСИНИ

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INSTITUTIONAL MECHANISMS OF LAND DEVELOPMENT MANAGEMENT

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Introduction. The historical development of economic theories is determined by the efforts of scientists to find methodological econometric patterns of development of the world and domestic economy in this historical period.

The dominance of neoliberalism in Ukrainian recent economic policy and the governance of post-Soviet countries and countries of Eastern Europe have pushed Ukraine and the Eastern European region for decades in their socio-economic development. It is possible to point to the institutional traps which have found not only the economy and land development but also the state administration, as the main public institutions, which are especially difficult to get out of the institutional pits of the shadow economy and corruption.

In Ukraine, primitivism in the imagination and extreme economic opportunism in the actions of the state elites, solely for their own economic benefit, leads to primitivism in the management of land development and catastrophically negative socio-economic, demographic and geopolitical consequences.

In Ukraine, there is a need for movement towards financing basic scientific research in the field of land management, especially in the phase of stimulating the scientific and innovation process – invention. The loss of the scientific component in the activities of the research institutes of land management and the transfer of them from the National Academy of Agrarian Sciences of Ukraine into submission to the Cabinet of Ministers stopped systematic scientific research in Ukraine in the land sphere.

The quality of managerial decision-making in the short and long term, at the macro and micro levels depends on from the objective knowledge of economic laws. It is legitimate to raise the question of the rationality of institutional economic theory, as a basis in the knowledge of economic phenomena and processes. In its favor, it is legitimate to attribute the complexity and systematic knowledge, where, along with the economic factors of influence on the results of the functioning of market structures and the market in general, there are those, which also act, that do not belong to the last ones. The institutional methodology does not apply the principle of abstraction, as in classical economic theory, especially at the stage of Marxism.

The objective role of government as a public institution was rationally manifested during the first global crises of capitalism through the adoption of antitrust laws, in particular the Sherman Act of 1890, the

Clayton Act of 1914. The following was the Great Depression of 1929, from which the Keynes theory on the basis of the state, under the leadership of the US President F. Roosevelt, subsequently worked.

Non-economic factors are exacerbated, as is the regularity of the global process of deepening the socialization of the spheres of people's lives and, above all, in production (deepening the process of division of labor). The question arises about assessing the impact of non-economic factors on the final product (domestic gross product, gross national product) in general and in land relations in particular.

The traditional land valuation through the mechanism of economic rent is considered by the authors as a component of an objective assessment taking into account the environmental rent, institutional etc. Summarizing or combining into the objective (integral) valuation (price) of land is associated with the problem of combining seemingly disproportionate components, but one of methods of solving is the form conversion theory.

The institutional content of the infrastructure of land relations is determined by the institutions that form it. At this stage of research, it is advisable to divide institutions into economic and non-economic ones. Non-economic institutes require the classification in the future.

The contemporary assessment of the results of land relations in Ukraine is burdened with, on the one hand, derivatives of purely value content, and, on the other, the lack of assessment of influential social institutions and problems, their consideration in land relations. The state, having administrative advantages, acting through economic and legal influence methods, should change and adapt the institutional environment, ensuring the rational use of natural resources, the secure stability.

Overview of the latest sources of research and publications. The institutional economic theory as a synthesis of economics, law, sociology, psychology and philosophy emerged at the turn of the nineteenth and twentieth centuries, when American scientists T. Weeblen, J. Commons, and W. Mitchell studied economic problems using methods of other sciences, especially sociology [1].

The first half of the twentieth century was a time of diffusion of the institutional approach in Anglo-American science. We separately distinguish the works by J. Hertzler «Social Institutes» (1929), «American Social Institutes» (1961), W. Hamilton «Institutes» (1932), F. Chepin «Social Institutes» (1935), L. Ballard's «Social Institutes» (1936), G. Barnes' «Social Institutes» (1942), K. Panunzio's «Principal Social Institutes» (1946), and J. Feibleman's «Institutes of Society» (1956) [2].

The works by D. Nort, Yu. Lopatynskyi, R. Nureyev, V. Yakubenko are also devoted to the study of problems of institutes and institutions.

Purpose of the article: to rethink the theoretical apparatus and institutional mechanisms of the land development management by analyzing the norms of behavior of agents (participants) in the land sphere.

Basic material and results. Economic processes in a society not subordinated to pure market economic theories but determined in each country by the historical traditions, customs, social and institutional and regulatory norms of behavior, both of individuals and legal entities, whose actions have significant limitations [3]. The actions of individuals and legal entities that have legal consequences in Europe, in Asian countries they are legal and European norms of behavior also have legal consequences in many countries up to criminal liability.

The history of economic scholarship has led humanity to the institutional economic theory, which most methodologically approximates and objectively describes models and determines the further development of the economy. Institutionalism in modern economic science, in our opinion, plays a leading role.

Social economic relations, especially land, have an essential structure: in the form of an institutional complex, based on the traditional, customary and religious norms of behavior of individuals, as well as social, political, economic, legal and other institutions, as stable socio-economic, organizational – legal structures, institutions and organizations [4].

Institutionalism has three main ideas [5]:

- a broad interpretation of economic theory, which should take into account and explore not only economic but also other factors affecting economic life: social, religious, traditional, customary, psychological, legal, political, geopolitical;
- functioning, development, transformation of social processes under the condition of social and state control over the economy;
- refusal to consider economic relations solely from the position of "economic person" as an economic agent, and consideration of social-habitual behavioral assessments, forecasts at the micro-microeconomic level.

Researchers, when revealed the essence of the term, understood by the institutions (primarily social) a rather wide range of things: established forms of thinking; verbal symbols that can be used to describe a group of social customs that are common and unchanged; ideas prevailing in society; patterns of behavior of individual social groups; specimens of standard expectations that govern individual behavior and social relationships.

In the modern works of Western scholars, the concepts of «institution» and «institute» are separated, but there is no complete agreement among scientists to determine the essence of the concept of «institute» and «institution». Each field of science characterizes them from their own point of view [6].

In some countries there is a substitution of the concepts of «institute» and «institution»; the duality of the concept is also present: the institute as a norm of behavior and the institute as an organization.

In our opinion, institutions are the foundation and key concept of institutional theory. There are many definitions of this concept. One of the founders of institutionalism T. Veblen believed that institutions are sustainable customs. A scientist W. Neal proposed his own interpretation of the concept of «institute» as a set of three complementary elements: rules, standards of behavior and stereotypes of thinking.

In our view, the paradigm of institutionalism defines the concept of «institute» as a set of conditions, rules and enterprises that, in the process of interaction, ensure the normal functioning of the natural environment and socio-economic systems and structures to achieve this goal [7]. In our opinion, the most effective model of economic development for Ukraine is that it uses the concept of the paradigm of institutionalism.

More precisely, from the author's point of view, the institute is a set of formal (fixed in law), informal (fixed in common law, that is, in customs and traditions) and spontaneously defined boundaries that structure interactions and determine the behavior of individuals in economic, political and social life, society, including not only the integral national economic mentality, but also the organizational and legal structures, institutions, organizations in the country. The institution is an element of the institute, as a rule, a norm, a certain order, a technique [8].

The concept of «institution» is defined as a rule, the rule of law, the norm of behavior, the totality of traditions, the order that exists and exists in society and in the state. With the help of institutions, public institutions regulate various relationships in society, including land. Understanding the essence of institutional economy helps to analyze the evolutionary path of its development [9].

To understand the difference between the concepts of «institute» and «institution» is worth it to take into account that the term «institute» comes from the Latin «institutum» which meant the establishment, introduction, custom. Instead, the term «institution» comes from the Latin «institutio», «institutiones» the so-called textbook. The first known institution was the textbook of the Roman lawyer Guy in civil law (second half of the second century AD), which consisted of four books [8]. Researches, which are devoted to the institutional sphere, have a semantic duality of the concept – institute as norm and institute as organization [10].

Institutions governing land relations have existed in the history of civilization since ancient times, but are constantly changing and improving. The institutional provision of domestic land policy was a barometer of assessing the attitude of society to the land good, and the relation of the main public institute the state to the land, assessing the resilience of the state on a geopolitical scale.

Institutions emerge in society as a result of the process of institutionalization (development) and for its implementation the following conditions are necessary [11]:

– an objective need, an institutional need, recognized in society as meaningful and generally social;

– cultural environment (subculture) as a system of values, norms and rules;

– the necessary resources.

Institutes are built: on the basis of practical domestic experience; by borrowing (targeting known samples in other countries); based on scientific theoretical models and through the reproduction of institutions that have existed historically but in a qualitatively new state.

Institutions support the interaction of individuals, legal entities and individuals and regulate public relations, based on voluntary or coercive interaction and consent of the majority of members of society.

Old institutional school scientists realized that in most countries of the world, neither at the macroeconomic nor microeconomic levels, purely market theories do not work, but other mechanisms work, and based on the inductive method, they analyzed actions, not individuals, but collectives, and studied economic methods using methods of sociology, law and political science [12], going to extremes, ignoring the mechanisms of market economy and its laws [8].

On the basis of the institutional school, two scientific schools emerged a new institutional and neo-institutional economy.

The new institutional economic theory relies on sociological approaches and criticizes the core of classical economic theory the absolute effect of market equilibrium, the rational choice model, the stability of individuals' preferences.

The neo-institutional economic theory, not denying the essence of the classical core of economic theory, modifies the shell of economic relations, considering not only private but also other ownership, regulatory legal, social, religious and other mechanisms and norms of behavior, including the concepts of transaction costs and other.

The neo-institutional economic theory penetrates more deeply into public relations in the land sphere than microeconomics, studies relationships within the organization at the micro-microeconomic level, up to the actions of individuals, i.e. specific landowners and land users. The institutional analysis in the land sector is quite effective, because it generalizes methods of analysis using the structuring of economic and social phenomena using institutional normative methods.

Theoretical aspects of the new institutional economy are most acceptable in the study of economic processes in public administration and land management and land development, where further institutionalization is significantly influenced by social norms of behavior, rules and traditions.

The baseline for the analysis looks for a new institutional approach in human activity, as an internally considered activity that focuses on the actions of others, on the principles of unity with social relations.

The real land economy is an economy of huge transaction costs, risk zones, and uncertainty, especially regarding land rights and land relations in Ukraine [13]. Land development is dominated by the opportunistic behavior of economic agents, both landlords and landlords, who act for their own private interest, by consuming natural fertility, receive their current economic benefit.

It is possible to distinguish the main principles of institutional economy in the field of land development:

– institutionalism – it is impossible to study the process beyond a specific institutional form, which presupposes unity in the land sphere of human activity and social relations;

– limited rationality – asymmetry of information of economic agents does not allow the individual to make rational decisions, and to evaluate possible alternatives of prospects for land development;

– historicism – economic phenomena in the sphere of land relations are formed by historical tendencies, customs, historical mentality and cultural traditions (the effect of the trail);

– economic opportunism – the actions of individuals (land users, landowners) in the land sphere are sufficiently opportunistic and take into account, first and foremost, their own, rather than public interest and sustainable development;

– land good – land acts not only as an object of exchange, equated with goods, spatial basis, means of production, but good, a resource of consumption of useful properties by the public at large. The consumption of land good entails negative and positive externalities, which are limited, and regulated by society and the state. Free, non-regulated, agricultural land market is absent in the world, and in many countries (Israel, Belarus, Asia) agricultural land is not an object of sale but is included in the economic turnover and circulation through lease and transfer of rights of user.

Transaction costs are also particularly relevant in the land sector, where land turnover means the exchange of property rights and freedoms inherent in society, and is defined as a microeconomic unit of land rights movement, a land transaction. The payment to the owner of the plot in the shadow format for the right to lease is 5 thousand hryvnias per 1 hectare, and if it is estimated the advertising costs, the work of agitators, yard patches, socially significant measures, the costs of manufacturers for the arrangement of social sphere and infrastructure, legal costs, formation of public opinion, PR-company, costs for the treatment and rehabilitation of unit owners, funeral expenses, education costs to the family members of landlords, anti-raiding and corruption costs, then transaction costs per 1 ha of leased land are 10 thousand.

The state regulating land relations, while managing land development, should try to objectively identify and redistribute property rights, while transactional, including corruption, costs will be minimized and personal allocation of property rights will not affect on the efficiency of final consumption of resources [14].

According to the authors, the institutional role of the state as a public institute of management in the field of land relations and land development is seen in:

– formation of the purposeful regulatory influence through the system of economic, legal, administrative and organizational methods and mechanisms of providing the support for nationally just and economically expedient processes in the land sphere by development and implementation of governmental rules, norms, standards that change and control the activity in the land sphere;

– conducting measures of economic, legal and organizational influence on the land economy, including through the creation of state mortgage institutions, state support and protection of business entities, individuals, progressive taxation, infrastructure of land circulation;

– creation of conditions for adaptation of economic entities and individuals to change macroeconomic parameters in the land sphere, in order to increase the level of rationality in the actions of economic agents of land relations for the purpose of progressive land development;

– regulating the influence of subjects on an object (land plots) to bring it to a certain state, limiting the opportunistic behavior of land users and landowners, in the direction of sustainable development and protection of land and soils;

– ensuring the balance of interests of participants in land relations, minimizing external negative externalities and minimizing shadow transaction costs of society and corruption in the field of land development management.

The land sector is also characterized by backward integration, when tenants seek to transform from the purchaser the right to use the land resource into a full-fledged owner. However, under the moratorium, only a shady circulation of rights of use is possible, and it amounts to 3,000 US dollars per hectare in Ukraine and covered up to 5 percent of agricultural land.

A unique manifestation of land development can be defined by the limited rationality and overt opportunism in the actions of not only tenants but also landlords, land owners. In the context of structural uncertainty, lack of information makes it impossible for the landowner to anticipate all possible contingencies, risks and factors of influence and to calculate the most optimal (rational) behavior.

Protecting more landlords than tenants, states regulate leases, minimum and maximum levels of rent by reducing the aforementioned negatives to a minimum, but in Ukraine it only shadowed the sale of land rights and land relations.

In the land sphere, economic opportunism of tenants, who are trying to save part of their costs through consumption of natural soil fertility and environmental degradation is particularly noticeable.

Public land management should limit the phenomenon of extreme opportunistic behavior of landowners and land users as economic agents, especially on agricultural land, by ensuring the protection and conservation of natural fertility.

The new institutional and neo-institutional economy sees the land as a public good. And the benefit of the good for the individual depends on the number of potential consumers of the benefit, but consumption and opportunistic attitude to the good reduces and even destroys it. The norm of Article 13 of the Constitution of Ukraine is of particular relevance, because the landowner – the individual does not take care of the fertility of the land received free of charge, and renting out, ignores the protection of land in favor of a high rent, and the tenant, in the interest of profit, goes for the consumption of natural fertility exchanging it with artificial one.

The individual producers and scientists of Ukraine are trying to reduce these negatives. 40 years ago, the scientific-production private enterprise «Agroecology» embarked on the path of organic farming, conducted a normative analysis in the comparative institutional perspective of the development of agricultural production and society, abandoning any chemical (artificial) substances in agricultural production [15]. Having lost about 800 million hryvnias (in modern prices) of income, it has been recovered 9 thousand hectares of arable land belonging to peasants owners of shares and the state. A special monopoly rent ecological rent is formed on these lands for 40 years. After all, the uniquely reclaimed soil produces the environmentally pure organic production of agricultural products, which is valued on the market at monopoly-high prices, higher than the ordinary counterparts in the commodity market. The specified price allowance compensates for the losses incurred for soil improvement.

If environmentally and socially important norms of behavior are not protected by customs, religious precepts, traditional norms – they must be determined by the state institutionally [16]. The owners of the units break the contractual relations with the Scientific-production private enterprise «Agroecology» and, acting opportunistically, for the purpose of their own fertility, transfer the units to the farmers (in the shadow format) and continue to consume the restored natural fertility in the form of differential rents.

Actually active participants in the socio-economic process, including purchasers of agricultural products, paying a high price for organic products, determine the development of organic, environmentally pure food, which necessitates the return of agro-production to organic farming systems, soil health and without using chemicals in the production process [17]. But in Ukraine the institute of organic farming in the legal field has not been institutionally fully formed and the legislative institutions adopted are not perfect.

If the state doesn't limit with the government the manifestations of extreme economic opportunism of landowners and land users it will reduce the country's natural resource potential and reduce not only fertility but also an appreciation of Ukrainian agricultural land [18].

According to social requirements, the following are rightly attributed to the basic needs of the society and the tasks of the state administration for the circulation of agricultural lands [19]:

– strengthening the country's food security;
– protection of the legitimate interests of land owners and users;
– improvement of rural employment and rural demographic status;
– ensuring the sustainable land use, rational and efficient land use;
– ensuring the sustainable development of rural areas and communities [20];
– raising the capitalization and liquidity of the land as an economic asset;
– ensuring the fair land valuation and land use fees;
– avoidance of fiscal losses and avoidance of shadow schemes of tax evasion, raider schemes of land seizure, use of front persons in case of acquisition of ownership and use of land;
– introduction mechanisms for preventing speculative transactions and monopolization of agricultural lands, limiting the legal personality of buyers and introducing standards for land acquisition.

The specified facts determine the institutional ways of implementing the tasks of managing land development on agricultural lands by:

– fixing minimum employment rates of the population per unit area of agricultural land;
– limitation of the area of land that can be owned by one person;
– prohibition on resale of land for a certain period;
– introduction of a differentiated amount of the state duty during the sale and purchase of land;
– establishment of certain requirements for potential buyers of land plots, limiting only to citizens of Ukraine living in rural areas and personally engaged in rural labor;
– avoiding the fragmentation of land by introducing the unity of inheritance and norms of land consolidation;
– bans on changing the purpose of arable land, except for alienation for public needs and for reasons of public necessity for the purpose of protection and preservation of soil and natural fertility;
– changes of minimum up to 5 years and maximum up to 20 years of land lease term, and setting of lease rates;
– introduction of a progressive scale of tax payments for agricultural land during which they are not used and depending on the size of the land.

Studying the institutional mechanisms and practical implementation will allow:

– to secure the interests of the state as a representative of the people of Ukraine during the inclusion of agricultural land in economic circulation, creating a national land fund;
– to direct financial activity in the circulation of agricultural land in the realm of real production, to increase the productivity and efficiency of agricultural production through the creation of state mortgage institutions, investment programs, state administrative infrastructure;
– to stop the illegal use of agricultural land without proper legal grounds (land of extinct heritage, unclaimed shares, designed field paths, farm yards, hayfields and pastures, etc.).
– to achieve the sustainable land use through the introduction and implementation of land management projects, ecological and economic justification of crop rotation and land protection;
– to increase the investment attractiveness of the agrarian sector and the economy of Ukraine as a whole [8].

The nature of the relationship of the means of institutionalization of land relations with the peculiarities of the formation of the financial and economic space of the state in the author's interpretation is considered at the level of development of institutional infrastructure of land circulation in Ukraine, the formation of the State Land Bank and the National Land Fund as state institutes. These structures will provide the incentives, support and regulation of land development; form a favorable investment climate in the countryside, sustainable social and sustainable rural development.

Conclusions and prospects for the further research. The social land development is characterized by evolutionary institutional changes, when partial peripheral gradual changes in the rules and regulations lead to gradual changes and the land development of a coherent system of economic land relations.

The ideas of institutionalism underlie the economic policies of the developed countries of the world, where social norms have become the practice of public administration, especially highlighting the role of state regulation in land development, especially in the modern world of optimizing life.

The state must, in accordance with the requirements of the institutional economy, regulate and normalize the access to a limited resource agricultural land. The land ownership acts as a «bundle» of rights over the owner's behavior and should be defined in the public interest, for the benefit of future generations. It is necessary to write out institutionally, nationally-justified «rules of the game» in the field of agriculture in Ukraine and management of the land development.

The state, having administrative advantages, acting through economic and legal influence methods, should change and adapt the institutional environment, ensuring the rational use of natural resources, the secure stability and even spatial self-isolation in coronary virus epidemics.

The methodology of institutionalism forms the foundations of a nationally just, economically feasible system of the land development mechanisms and optimal scenarios for the development of land relations in Ukraine.

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Шарий Григорій Іванович, доктор економічних наук, доцент. **Нестеренко Світлана Вікторівна**, кандидат технічних наук, доцент. Національний університет «Полтавська політехніка імені Юрія Кондратюка». **Інституціональні механізми управління земельним розвитком.** Переосмислено теоретичний апарат нової інституціональної й неоінституціональної теорії у сфері земельної економіки та визначено необхідність подальшої інституціоналізації земельного розвитку в Україні. Проаналізовано суспільні економічні відносини. Виявлено, що саме земельні відносини мають сутнісну структуру: у вигляді інституційного комплексу, в основі якого лежать традиційні, звичаєві й релігійні норми поведінки індивідів, а також соціальні, політичні, економічні, правові та інші інститути, як стійкі соціально-економічні, організаційно-правові структури, установи й організації. Визначено головні принципи нової інституціональної та неоінституціональної економіки в земельній сфері, а саме: інститутоцентризм, обмежена раціональність, історизм, економічний опортунізм, земельне благо. Характер співвідношення засобів інституціоналізації земельних відносин з особливостями формування фінансово-економічного простору держави в авторській інтерпретації розглянуто на рівні розбудови в Україні інституційної інфраструктури земельного обігу, формування Державного земельного банку та Національного фонду земель, як державних інститутів. Виявлено, що суспільному земельному розвиткові притаманні еволюційні інституціональні зміни, коли почастинні периферійні поступові зміни в нормах і правилах обумовлюють поступові зміни й земельний розвиток. Доведено, що держава, маючи адміністративні переваги, діючи економічними методами та методами правового впливу, повинна змінювати й адаптувати інституціональне середовище як сукупність правил, норм, що формують базис виробництва, обмін і перерозподіл у земельній сфері, адже головна ланка в комплексі земельних прав належить народу України.

Ключові слова: земельний розвиток, інститут, інституціональна економіка, методологія, методика, земельна економіка, рентні відносини, екологічна рента.

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Hryhorii Sharyi, D.Sc. (Economics), Associate Professor. **Svitlana Nesterenko,** PhD, Associate Professor. National University «Yuri Kondratyuk Poltava Polytechnic». **Institutional Mechanisms of Land Development Management.** A new institutional and neo-institutional theory theoretical apparatus in the field of land economy are revised and the necessity for further land development institutionalization in Ukraine is determined. Social economic relations are analyzed. It is revealed that land relations have an essential structure: in the form of an institutional complex, based on the traditional, customary and religious norms of individuals behavior, as well as social, political, economic, legal and other institutions, as stable socio-economic, organizational and legal structures, institutions and organizations. The main principles of new institutional and neo-institutional economy in the land sphere are determined, namely institute-centrism, limited rationality, historicism, economic opportunism, land good. The relationship nature of land relations institutionalization means with peculiarities of state financial and economic space formation in the author's interpretation is considered at the development level in Ukraine of land circulation institutional infrastructure, The State Land Bank and the National Land Fund formation as state institutions. It has been found that evolutionary institutional changes are inherent in social land development when partial peripheral gradual changes in rules and regulations cause gradual changes and land development. It is proved that state, having administrative advantages, acting by economic methods and methods of legal influence, should change and adapt the institutional environment, as a set of rules, norms that form the basis of production, exchange and redistribution in the land sphere, because the main link in the bundle of land rights, belongs to the people of Ukraine.

Keywords: land development, institute, institutional economy, methodology, land economy, rent relations, ecological rent.

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MODELING THE IMPACT OF DIVERSIFICATION OF IMPORTS ON THE NATURAL GAS MARKET OF UKRAINE

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Introduction. Diversification is a broad concept that provides for an even distribution of risks in order to reduce their negative potential impact.

Diversification can concern types of energy resources, sources of energy resources, types of energy technologies. It is believed, that diversification of energy supply by type and origin provides a higher level of energy security. However, diversification alone does not lead to a positive impact on energy security if it concerns the use of additional less reliable energy sources [12; 14].

Key drivers' forces and instruments of EU energy security are the completion of construction internal integrated energy market, diversification of sources supply of energy resources, strengthening cooperation between states on transportation and storage of natural gas, increase energy efficiency, reduction of harmful emissions into the atmosphere [15].

The economic modeling is the reproduction of economic objects and processes in limited, small, experimental forms, in artificial conditions. Modeling is a prerequisite and a means of analyzing the economy and the phenomena occurring in it, and substantiation of decisions, forecasting, planning, management of economic processes and facilities. In this case, the model means the reflection of the real economic situation, the process in the form of a scheme, algorithm or in some other way. The encyclopedic dictionary gives the following definition of this concept: economic model – a simplified representation of reality, abstract generalization, embodied in the form of economic and mathematical model [13].

Based on the study, it can be argued, that Ukraine considers its own energy security in the context of strengthening cooperation with the EU in the field of energy. Ukraine seeks to implement or expand projects to diversify natural gas supplies, strengthen its status as a reliable transit country, and integrate into the EU's energy space.

As part of a targeted policy to diversify natural gas sources, Ukraine is cooperating with European operators of related gas transmission systems on the possibility of signing a «cooperation agreement» at all connection points, as well as providing and expanding technical capabilities for gas transportation from Europe.

Significant capacity of gas storage facilities in Ukraine in this case can be used for seasonal price arbitrage to reduce the total cost of imported gas.

Basic material and results. Based on the proposed conceptual and methodological approach to assessing the level of diversification of the natural gas market of Ukraine, a model of diversification of the natural gas market has been developed, which is based on the following indicators.

Partial indicators of diversification, which reflect the external aspects of the EU natural gas market, include: dependence on natural gas imports; the number of entry points into the gas transmission system of Ukraine for the import of natural gas (the number of external sources and routes for the supply of natural gas); number of natural gas suppliers; quantity and specific weight of components of the complex of primary gaseous energy carriers imported (natural gas, liquefied gas, shale gas and biogas).

It is known that the state's dependence on the natural gas port is one of the most important indicators in terms of energy security. This indicator is usually determined by the ratio of total imports of natural gas to total consumption of this energy for a certain period of time, and countries, depending on this indicator in percentage are classified into the following groups [1-2, 8]:

- countries with low dependence on imports (≤ 10%) and countries-exporters;
- countries with average dependence on imports (30% – 40%);
- countries with high dependence on imports (≥ 70%).

The greater the value of this indicator, the lower the level of diversification of routes and sources of natural gas supply.

According to world standards, the import of natural gas is considered reliable, if the supply is made from at least three sources [6], then if this condition is met, gas supply is diversified.

Maximum supply from one source. Since according to international energy security criteria, the supply of energy resources from one source should not exceed 25% [3], the maximum supply will be:

$$Q_г = 0,25 * Q_з, \tag{1}$$

where $Q_з$ – total imports of natural gas, thousand cubic meters.

Relative supply diversification ratio (diversification ratio), which takes into account the number of suppliers and supply volumes.

$$K_д = \frac{\sum_{i=1}^{n} Q_i}{Q_з} * 100\%, \tag{2}$$

where Q_i – the volume of gas supplied by a separate producer (from a separate source), provided that $Q_i \leq Q_г$; if $Q_i > Q_г$, then in formula (2) Q_i is taken equal to $Q_г$; n is the number of gas supply sources [5].

At present, despite the relatively high cost of liquefaction/regasification technologies and equipment, liquefied natural gas (LNG) supply is a cost-effective alternative to long-distance pipeline transportation of natural gas.

To reduce its dependence on gas imports from Russia, Poland, for example, is expanding LNG purchases in Qatar and the United States. In November 2018, PGNiG agreed with the American Cheniere Marketing International to supply LNG for the next 24 years.

Recently, Poland has signed agreements with US companies to purchase about 6 billion cubic m of LNG totaling about $ 25 billion and the American Cheniere Energy has started the implementation of this long-term contract for the supply of LNG (according to the document in 2019-2022, the volume of supplies will be about 0.52 million tons of LNG (0.73 billion cubic m of gas after regasification); in 2023-2042 the total volume of LNG imports will reach 29 mln tons (about 39 billion cubic m) since 2023. Paging will receive about 1.45 million tons/year of LNG (about 1.95 billion cubic m). Total shipments will amount to 29.5 million tons of LNG (about 39 billion cubic meters) under this contract, Paging will receive LNG produced in factories Sabine Pass in Louisiana and Corpus Christi, Texas deliveries will be made by the formula DES (delivery ex ship) Incoterms – the seller bears all costs and risks of LNG delivery to the port of destination until it is unloaded at the LNG terminal).

In order to increase the level of energy security of the state, ensure diversification of sources and routes of natural gas supply to Ukraine, integration of the natural gas market of Ukraine into the Energy Community market, work is underway on the project «Construction of Ukraine-Poland gas pipeline interconnector».

The project of building a gas pipeline-interconnector Poland-Ukraine is important for the infrastructure of both Ukraine and Poland. This project is seen as a key project for diversifying natural gas supply sources and routes, security of supply, and creating a fully integrated and competitive regional gas market in Central and Eastern Europe. The project will also help strengthen cooperation between the EU and the Energy Union. The construction of the gas pipeline-interconnector will increase the volume of gas transportation to Ukraine on a permanent basis.

Also, the integration of Polish and Ukrainian gas transmission systems is part of the North-South gas corridor, which allows gas to be transported from the LNG terminal to Swinoujscie via Central and Eastern Europe using cross-border interconnectors. The main goal is to create a flexible transportation infrastructure in Central and Eastern Europe that will connect the Western gas markets and the global LNG market with the Central and Eastern European market. Such a large-scale effect should have a positive effect on competition and the attractiveness of the region in the perspective of market participants.

The project envisages the integration of gas transmission systems of both countries to increase gas imports to Ukraine from Europe via Poland, as well as to ensure the storage of European gas in storage. On June 13, 2017, after a year of joint work with Naftogaz of Ukraine, the Ministry of Finance and the Energy Customs of the State Fiscal Service, JSC Ukrtransgaz opened a customs warehouse for temporary storage of natural gas in Ukrainian underground storage facilities for the opening and operation of customs warehouses on the basis of Ukrainian gas storage facilities).

The fact of starting to use the «customs warehouse» service is an element of implementing Ukrtransgaz's development strategy as a full-fledged European operator, which is well oriented to the needs of market participants and, accordingly, introduces new services to expand the range of potential customers. The launch of a new mode of operation of gas storage facilities «customs warehouse» is also another step towards the creation of a regional gas hub based on gas storage facilities in Ukraine.

Previously, customs clearance of natural gas transported to the customs territory of Ukraine for its storage in gas storage facilities could be carried out only in the customs regime of «transit». Also, the provisions of the Customs Code of Ukraine set the terms of transit transportation by pipeline – 31 days. Such conditions were not economically acceptable for most foreign gas traders. From now on, customs clearance of gas coming from abroad for storage in Ukrainian gas storage facilities is carried out in the «customs warehouse» mode.

The creation of such a warehouse allows companies, including foreign ones, to store gas on the territory of Ukraine for 1095 days without paying any taxes and customs duties, subject to further transportation of natural gas from the territory of Ukraine. Thus, the Ukrainian legislation removes all legal barriers to the provision of natural gas storage services to non-residents in gas storage facilities.

Ukraine is implementing a European approach and has allocated the GTS operator to an independent structure. The new GTS operator gained independence not only from the current owner, Naftogaz of Ukraine, but also from any other influences from producers and suppliers of natural gas and electricity, in particular through the vertical of public authorities.

An important component of the functioning of the gas transmission system is a complex of natural gas storage facilities, which provides overlapping of peak periods of natural gas consumption in the autumn-winter period.

Table 1 shows the data on the availability of natural gas in the gas storage facilities of JSC Ukrtransgaz at the beginning and end of the selection seasons 2016-2017, 2018-2019.

Table 1

Availability of natural gas in JSC Ukrtransgaz (billion cubic meters)

2016-2017		**2017-2018**		**2018-2019**	
At the beginning of the selection season	At the end of the selection season	At the beginning of the selection season	At the end of the selection season	At the beginning of the selection season	Finally season selection
14.7	8.1	17.0	7.4	17.2	8.7

Source: *data of NJSC «Naftogaz of Ukraine»*

Table 2 shows the data on the actual recorded maximum daily gas extraction from gas storage facilities and the average daily gas extraction from gas storage facilities during the season.

Table 2

Volumes of the level of gas extraction from gas storage facilities (million cubic meters)

2016-2017		**2017-2018**		**2018-2019**	
Maximum daily selection	Average daily selection	Maximum daily selection	Average daily selection	Maximum daily selection	Average daily selection
91.9	41.0	116.3	57.1	101.2	55,2

Source: data of NJSC «Naftogaz of Ukraine»

As part of modeling the impact of import diversification on the natural gas market of Ukraine, it is worth noting that Ukraine is interested in participating in the Southern Gas Corridor project. The specific format of such participation is a matter for detailed study and discussion at the level of experts of the Ministries of Energy of our countries.

For reference: The Southern Gas Corridor consists of three pipelines SCPX (South Caucasus Pipeline Expansion), TANAP (Trans Anatolian Pipeline) and TAP (Trans Adriatic Pipeline) and is designed to transport gas from the gas fields of Azerbaijan to European consumers. The first stage of the PGC project envisages the transportation of 16 billion cubic m of natural gas to Europe from 2020 with the possibility of increasing these volumes to 24 billion cubic m in 2023 and 31 billion cubic m in 2026. Currently, the consortium «Shah Deniz» signed long-term agreements for the supply of natural gas to Turkey (6 billion cubic m per year), Italy (9 billion cubic m per year) and Bulgaria (1 billion cubic m per year), Fig.1.

Fig. 1. Trans-Anatolian gas pipeline

Given the above, it would be appropriate to use the existing potential of natural gas storage facilities in Western Ukraine, which can provide storage of natural gas to be transported under the PGC project. This option does not require additional investment in the installation of new gas storage facilities along the PGK pipelines and will help ensure an uninterrupted supply of natural gas to consumers, especially during the winter.

In the study, Ukraine's dependence on natural gas imports is expressed by a dimensionless indicator equal to the ratio of the total volume of natural gas imported by Ukraine to the total annual consumption of natural gas in Ukraine:

$$X\ imports = (Y\ imports)/(Y\ consumption) \tag{3}$$

where

X imports – a dimensionless indicator of dependence on natural gas imports;

Y imports – total annual imports of natural gas;

Y consumption – total natural gas consumption per year.

The dimension lessens of this indicator is ensured by the fact that the total volume imports of natural gas per year and the total consumption of natural gas per year, which are used for its calculation, have the same units of measurement. The greater the value of this indicator the greater the level of dependence on natural gas imports.

One of the most important indicators of natural gas market diversification is the number and type of entry points for natural gas imports (number and type of external sources of supply), which should be diversified geographically or by natural gas supplier countries.

In this case, natural gas can be imported through LNG infrastructure, including FSRU platforms (floating storage and regasification units), or through pipelines. Gas pipelines – interconnectors and gas hubs can also be used for this purpose. The more entry points a state has, the less vulnerable it is to gas supply disruptions.

The national project «LNG Terminal» provides for the construction of an LNG terminal for the reception, storage and regasification of liquefied natural gas in the waters of the seaport «South» Kominternovskyi district of Odesa region with a capacity of 10 billion cubic m/year.

Fig. 2 point and input-output in Ukraine's GTS

The ports are equipped with LNG infrastructure facilities may provide greater external stability of the power system state than pipelines, because through them, the gas can be imported on short-term contracts because of the spot LNG market, while by pipeline gas usually imported under long-term contracts from pre-defined suppliers [9].

Diversification of energy sources and supply routes is one of the most important elements of ethical security. It is considered that the supply of energy for import is safe if it is carried out from at least three sources [4].

Conclusions. The analysis of alternative ways of natural gas transportation to Ukraine and their diversification allowed to formulate the following conclusions:

1. In the process of determining the price of natural gas, the methods of its transportation play a very important role. Recently, gas prices in Europe have approached the level that makes LNG competitive in European gas markets. These facts are very interesting for Ukraine. It is determined that, despite the advantages of gas pipeline transport, pipelines are impractical for long-distance sea transportation of gas.

2. Currently, for the purpose of long-distance sea/ocean transportation of gas using liquefaction technologies LNG – tankers (gas carriers). The national project «LNG Ukraine» provides for the construction of an LNG terminal for the supply, storage and regasification of liquefied natural gas in the waters of the seaport «South» Kominternovskyi district of Odesa region. Analysis of the implementation strategy of the national project «LNG Ukraine» and financial and economic indicators of the project led to the conclusion that the implementation of the national project «LNG Ukraine – the creation of infrastructure for liquefied gas to Ukraine» is cost-effective and feasible for Ukraine.

3. The technical and economic feasibility of the project «LNG – resource» (part of the national project «LNG Ukraine» – to create an infrastructure for liquefied natural gas in Ukraine), features of the production cycle and trade of LNG, factors of its competitiveness and business models of project financing national project «LNG Ukraine – the creation of infrastructure for liquefied natural gas in Ukraine». Thus, the analysis of international experience has shown that compliance with the principle of diversification of energy sources and routes is recognized as a decisive factor in security of supply and ensuring the economic independence of Ukraine. The results of the study allowed us to conclude that Ukraine needs to achieve a certain level of diversification by working to increase the number of gas sources to the three minimum necessary, for example, by transporting liquefied gas.

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Енергетична безпека – це своєчасне, повне і безперебійне забезпечення паливом та енергією необхідної якості матеріального виробництва, невиробничої сфери, населення, комунально-побутових й інших споживачів; запобігання шкідливому впливу на довкілля; транспортування, перетворення і споживання паливно-енергетичних ресурсів в умовах сучасних ринкових відносин, тенденцій та показників світового ринку енергоносіїв. Власну енергетичну безпеку Україна розглядає у контексті посилення співробітництва з ЄС у сфері енергетики. Вона прагне реалізувати або розширити проекти з диверсифікації постачання природного газу, зміцнити свій статус надійної транзитної країни, інтегруватися в енергетичний простір ЄС. У рамках цілеспрямованої політики на диверсифікацію джерел надходження природного газу Україна співпрацює з європейськими операторами суміжних газотранспортних систем щодо можливості підписання по всіх точках з'єднання «угоди про взаємодію», а також працює над забезпеченням і розширенням технічних можливостей транспортування газу з території країн Європи. Значні потужності газосховищ в Україні в цьому разі можуть використовуватися для сезонного арбітражу цін для зниження загальної вартості імпортного газу.

Ключові слова: оцінювання, ефективність механізму, реверсне постачання газу, контракт, транспортування природного газу, енергетична незалежність, економіка.

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Vladyslav Ramazanov, PhD student in Economical Sciences. National University «Yuri Kondratyuk Poltava Polytechnic». Head of expert group on security of supply and development of competitive natural gas market of Directorate of Oil and Gas Complex and Oil, Natural Gas and Petroleum Products Marker Development. Ministry of Energy of Ukraine. **Modeling the Impact of Diversification of Imports on the Natural Gas Market of Ukraine**. The tools of quantitative assessment of the level of diversification of imported sources and routes of natural gas supply are proposed, the level of diversification of the gas market of Ukraine is assessed, priority ways to increase the level of diversification of the natural gas market of Ukraine in the context of integration into the EU natural gas market are identified. Based on the proposed conceptual and methodological approach to assessing the level of diversification of the natural gas market of Ukraine, a model of diversification of the natural gas market of our country has been developed.

Energy security is a timely, complete and uninterrupted supply of fuel and energy of the required quality of material production, non-productive sphere, population, utilities and other consumers; prevention of harmful effects on the environment; transportation, transformation and consumption of fuel and energy resources in the conditions of modern market relations, tendencies and indicators of the world energy market. Ukraine considers own energy security in the context of enhanced cooperation with the EU in the energy sector. Ukraine seeks to implement or expand projects to diversify natural gas supplies, strengthen its status as a reliable transit country, and integrate into the EU's energy space. As part of a targeted policy to diversify natural gas sources, Ukraine cooperates with European operators of related gas transmission systems on the possibility of signing a «cooperation agreement» at all connection points, as well as providing and expanding technical capabilities for gas transportation from Europe. Significant capacity of gas storage facilities in Ukraine in this case can be used for seasonal price arbitrage to reduce the total cost of imported gas.

Key words: evaluation, mechanism efficiency, reverse gas supply, contract, natural gas transportation, energy independence, economy.

PRODUCTIVE FORCES DEVELOPMENT AND REGIONAL ECONOMY

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FORMATION OF CITY BRAND IN THE IMPLEMENTATION OF THE CONCEPT OF INTEGRATED DEVELOPMENT

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Introduction. Current realities and requirements for sustainable territorial development and international cooperation, administrative reform, which continues in Ukraine, updated approach to the concept of urban planning, actively spread the cities of the country call for differences and specific identification of each city and opportunities to disseminate this information among all the people who are interested in it. Therefore, only under the condition of well-thought-out and effectively implemented territorial marketing and branding the territory of cities and countries have the opportunity to successfully compete for investments, resources, their own residents, and partners. The relevance of this process increases in the conditions implementation of the concept of integrated urban development, which has recently been applied in a number of cities of Ukraine, so there is a need to determine the impact of personal brand formation on the process of successful implementation of integrated development planning and promotion at the international level.

Overview of recent researches and publications. The works by such foreign and domestic scientists as Aaker D., Newmeyer M., Anholt A., Kotler F., Asplund D., Raine I., Haider D., Dinny K., Vizgalova D. are devoted to the problems and topical issues of urban branding. The same problems are described in the works by Starostina A., Romat E., Pasternak O., Bilovodska O. et al. In particular, D. Aaker considers branding as an asset that implements any strategy [1, 2]; M. Newmeyer in his works emphasizes the value of the brand to meet customer needs [3]; from the standpoint of territorial development management, branding was considered by well-known marketers, who developed the theory and methodology of marketing A. Anholt [4, 5, 6], F. Kotler, A. Asplund [7], K. Dinny [8,9]. Theoretical and practical aspects of the application of urban branding for the development of territories have been repeatedly considered by European and Ukrainian scientists at practical training seminars [10]. However, the transition from centralized, mostly architectural urban development planning, to integrated, taking into account environmental, social, cultural, tourist and other aspects of city life, requires the use of modern technologies to form the city's branding.

Task statement. The purpose of the article is to study the process of forming the city's branding for the successful implementation of the concept of its integrated development.

The main body and results of the research. Urban branding is usually seen as part of the marketing of territories. The term first appears in the second half of the last century in the works of American and European marketing solutions on the background of existing issues of urban development. Summarizing the approaches to the definition of marketing areas, we can say that the modern interpretation of this concept is to understand it as a process of maximum satisfaction of all target groups that affect the development of the territory to ensure its effective sustainable development.

N. Hrynchuk identifies the following aspects of marketing territories:

– marketing of territories is designed to expand the influence of the settlement (city) or a particular region externally to achieve the goals, be a tool to increase the competitiveness of the territory in all possible areas, must meet the needs of all target groups affecting the development of territories;

– marketing of territories is a non-standard, but quite effective tool for solving the problems of territorial development, starting from attracting additional investments in the development of the territory to solving environmental problems;

– marketing of territories should be perceived not only as a tool, but also as a certain ideology, which, if used effectively, has a positive impact on all spheres of life of the territory, forcing them to work for its development and raising living standards;

– marketing areas applies not only to local governments as an object of marketing, but also directly process involves other stakeholders, entrepreneurs, scholars, tourists and ordinary citizens, etc;

– marketing of territories is a long process of coordination and cooperation, combination of all territorial interests in communicative, creative and innovative culture of cooperation;

– marketing of territories contributes to solving the problems of territorial development, creating a positive reputation, improving the image, the formation of branding of territories, including cities [11].

F. Kotler, K. Asplund, I. Raine and D. Haider distinguish four methods of marketing the territory:

– image marketing: to be noticed in the market, territories must have a characteristic image, a certain uniqueness and difference from other territories;

– of historical monuments, in order to develop unique attractions, to focus attention on them, make them attractive for tourist’s flows;

– and infrastructure marketing: convenient position is the foundation attitude toward areas; in addition, the development of infrastructure can solve a number of problems in the territory, so its development is an important direction to create a positive image of the territory;

– marketing of people – the advertising area residents , among which is to focus on celebrities; skilled specialists, including those who are working in the main areas of the territory; entrepreneurs who contribute to the development of the territory not only by the work of their enterprises, but also take an active part in the development of the territory; people who have moved from other places , but do not alienate themselves from the problems of development of the territory, but on the contrary, identify themselves with them [5].

Marketing of territories is usually divided into 2 main stages: the stage of positioning the territory and the stage of its promotion, understanding that positioning is a process of determining the strongest, unique characteristics of the territory, which will later form an idea of it; and promotion includes a set of measures to disseminate information about the territory and the formation of stable ideas about the territory in accordance with its positioning in order to maximize the coverage of target groups and meet their interests.

Marketing areas are the instrument of branding, including cities as the main and decisive objects in the development of the surrounding areas.

The city brand in the target audience forms an idea, a set of images, associations and expectations of the city; reflects the unique and inimitable characteristics of the city, its features that have gained public recognition and have a stable demand among stakeholders. The brand of the city, especially in the conditions of its formation, must be dynamic and indicate not only its current state, but also show its future development, thus forming an idea of it in advance.

The world practice of forming urban branding shows that the presence of the city brand contributes to increasing the competitiveness and innovation capacity of the city; raise the spirit of the community, its identity; formation of the patriotism and creative tendencies of socio-economic development; creation of the positive vision of the city; strengthening the intention of residents to connect their lives with the city (so that the population of the city does not have the desire to leave it, but to build their careers here, social status); involvement of additional financial resources, investment, foreign capital as in other regions of the country and from abroad; attracting tourists and increasing revenues to the local budget by increasing tourist flows and the development of related services; development of recreational potential of the city, its ecological resource, attraction to the city of people who would like to settle in it, work or start the business and invest in it [10].

According to the content of marketing strategies and the formation of urban branding, the following types of cities are distinguished, which in turn have a significant number of subtypes formed on their basis, in particular [11]:

- leading cities, subtypes of which can be: capital (not only in the administrative sense, but also in certain areas: fashion, art, technology, etc.), the centers of concentration of the most powerful sectors of the economy; tourists, politicals, elite, etc.;
- cities-entrepreneurs (trade, branch business);
- entertainment cities (theatrical, musical, botanical, resort, medical, beach, games, event cities, ski sport, etc.);
- smart cities that use a variety of information technologies for the most efficient operation and compliance with the needs of its inhabitants;
- scientific cities (cities-science parks, cities-universities);
- cities of unique image, formed with the use of aggressive marketing strategies and image projects of territories.

In modern conditions of formation of branding of territories, first of all, cities, orientation becomes not one certain type of the city, and their combination for the most successful development and achievement of the set purposes.

Development and implementation of the concept of integrated development in the cities of Ukraine, the approaches used by this process, significantly contributes to the formation of city branding, puts the task of developing and implementing the city brand, highlights the successful experience of branding European cities. Important here is also the fact that the main role in shaping branding relies on cities, local authorities and government, which, according to many researchers and practitioners in developing [10]. To do this, it is necessary to determine the main idea (archetype) of the city, based on the history of the city, geographical location, features of climate, landscape, historical monuments and more. The development of the concept of integrated urban development in the stages of its implementation contributes to the implementation of this process in full.

Strategic approaches to integrated development are based on the European principles and values set out in the Leipzig Charter on Sustainable European Development [12], the UN Sustainable Development Agenda 2030 [13] and the New Urban Development Program adopted by the UN Conference on Housing and Communal Services (Habiat III) [14]. The essence of this approach to interconnection, communication, and interdependence among different areas, thus ensuring the adoption of explicit and optimal planning solutions and long-term urban development, coordination of programs and policies of higher level [14].

Important and consistent with the methodology of development and implementation of the city brand is that before determining what the city should be in the future, and accordingly, to develop the city brand, it is necessary to conduct thorough work and comprehensive in-depth analysis by a competent expert group of all components. cities, such as: location, demography, development and structure of the city's economy, technical, transport and social infrastructure, urban planning and urban planning, environment, etc. Based on the results of the analysis, a full-scale functional SWOT-analysis is developed, which allows to identify strengths and weaknesses, existing advantages of all sectors and spheres of city development, limitations and risks that may negatively affect or significantly complicate development, as well as those areas and directions, which are a priority, over which first need to work with authorities and the community.

The result of such work is the formulation of a common vision of what the city wants to be, what and how it should achieve, the definition of strategic, operational goals and objectives, among which you can clearly trace the main directions of the city's branding. The foundations of the city's branding are laid in the most important areas of its development, as well as in the visions of the city, which actually reflect the desired future and key values shared by city residents, entrepreneurs, big business, public, local authorities and define the unique character of the city and apply your own brand.

Thus, the development and implementation of the Integrated Development of Poltava, which began in 2016, today provides an opportunity to subject a preliminary and functional SWOT-analyzes implemented stages of discussion and agreement the main areas of development with all stakeholders, including: the city authorities and municipal institutions, local experts, the public and even residents, to identify the main trends in the city formation.

The future brand of the city should be based on its vision and be implemented in projects of key areas of city development. Today, the vision of the city is such: “Poltava of 2030 is a green, comfortable and welcoming city on the banks of the Vorskla River with substantial economic potential. It is the ECO(logical) paragon of Ukraine with unique lands, fresh air and clean water.

Poltava aims at becoming, by 2030, a powerful regional centre integrated in the domestic and global economies. A diversified and environment-friendly economy of the city will, by capitalizing on modern scientific knowledge, creative ideas and innovations, provide its residents with high living standards, developmental prospects, possibilities of obtaining thorough education and unleashing their entrepreneurial potential on the labour market.

Poltava will become a recognized national platform for Ukrainian cultural heritage preservation and modern art development, an attractive tourist destination with a wide choice of options to suite every taste and need whether in the field of gastronomy, comprehensive family recreation, MICE or thoughtful leisure time.

Poltava is a city with health lifestyle that is youth-friendly yet values and supports elderly residents, a tolerant and safe city with strong and socially responsible community.

A city for creating a family and enjoy the all next years with dignity!” [15].

Analyzing all the above, we can say that the formation of the city's brand includes such key positions as: environmentally friendly cities (eco-standard cities of Ukraine), cultural national heritage, a city of various tourism: cultural, business, gastronomic, medical and more.

The formation of the city's brand is supported by projects in main areas of development, including: economy diversification; strengthening status of Poltava as a regional center; culture and tourism development; environment and green space development; improved mobility [15].

Branding of the city as an eco-standard is supported by projects and activities in the field of development “Environment and green space development” including:

– creation of an information and monitoring center and an independent laboratory for environmental control in the city;

– development of a program to control noise exposure and minimize it to the city environment;

– development of a plan for the city's adaptation to climate change;

– integration and interdependence of green areas Poltava City through a comprehensive program of conservation and development of "green frame" of the city;

– development of the Vorskla River and Kolomak tributaries;

– organization of the city waste management system;

– organization of hazardous and bulky waste collection and processing system;

– professional closure and reclamation of the existing municipal solid waste landfill with further monitoring of its condition.

In addition to the listed projects that have a direct impact on the implementation of this goal, indirectly, but no less important, affect projects in other areas of development, including projects to promote and develop diversified environmental production; ecological housing projects, creation of a system of ecological education in the city, etc.

In the city brand – the place of significant cultural heritage of the country directed such projects as:

– revision and updating of the “Rules for building the historic center of Poltava”;

– integration of cultural heritage and old buildings into urban areas;

– development and implementation of the concept of modern museums and other cultural about the objects;

– creation of a single historical and natural complex “Dendropark-Field of the Battle of Poltava”.

This will emphasize and highlight about "objects of cultural heritage in urban infrastructure, make them available and attractive for residents, tourists and visitors to support the brand.

Branding of the city as a tourist center is not unique: a significant number of Ukrainian cities form their brand on this approach [11]. Implementation of the concept of integrated development makes it possible to develop a brand of multi tourism: business, gastronomic, cultural, medical. In order to implement this task, the concept provides for the development of a strategic comprehensive program for tourism development “Poltava Tourist 2030” and ensures its implementation.

Thanks to integrated urban development concept was developed and approved, targeted and consistent implementation it is able to formulate and provide branding city and develop high quality, unique brand of the city, the use of which will contribute to social stability and extended demographic reproduction;

increase investment and create new jobs; increasing the attractiveness of the city and the living standards of its inhabitants.

Conclusions. The city brand is an additional resource for its sustainable development through the formation of positive perceptions and associations with the city in all stakeholders, including those who most contribute to the inflow of capital into the city: investors, tourists, guests, residents and surrounding areas. This is extremely important to brand the city was not only proclaimed on paper, but when branding does not happen through a reverse reaction, the formation of negative associations connected with the city. Therefore, the application of an integrated approach in the development of the city’s brand is the same flexible tool that can take into account all aspects of branding, and if necessary, can be adapted to new conditions and challenges facing the city in its development. The success of the city's brand can be assessed through indicators of growth of tourist inflows, jobs, expanded population reproduction, including indicators of migration growth.

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Формування бренду міста в реалізації концепції інтегрованого розвитку. Сучасні реалії та вимоги щодо забезпечення сталого розвитку територій з міжнародного співробітництва, адміністративна реформа, що триває в Україні, оновлені підходи до концепції міського планування, які активно поширюються містами країни, вимагають забезпечення відмінності та певної ідентифікації кожного міста, можливості поширювати таку інформацію серед усіх зацікавлених осіб. Актуальним цей процес стає в умовах реалізації концепції інтегрованого розвитку міст, котра віднедавна почала застосовуватися у ряді міст України. Отже, виникає потреба визначити вплив формування персонального бренду міста на процес успішної реалізації інтегрованого планування

розвитку територій та їх просування на міжнародному рівні. Маркетинг територій є інструментом формування брендингу територій, зокрема міст як основних та визначальних об’єктів у розвитку прилеглих територій. Бренд міста формує у цільової аудиторії уявлення, комплекс образів, асоціацій та очікувань від міста; відображає унікальні й неповторні характеристики міста, його особливості. Розроблення та реалізація концепції інтегрованого розвитку в містах України, підходи, які застосовує цей процес, значним чином сприяють формуванню брендингу міста, формують завдання розроблення та втілення бренду міста на перший план, дають змогу запозичити успішний досвід формування брендингу міст Європи. Розроблення й реалізація інтегрованого підходу передбачає, що перш ніж визначитися, яким повинно бути місто у майбутньому, та відповідно розробити бренд міста, необхідно виконати комплексний аналіз усіх сфер життєдіяльності міста й функціонального SWOT-аналіз з виявлення сильних і слабких сторін міста, потенційних загроз та можливостей його подальшого розвитку. Результатом такої роботи є формулювання спільного бачення того, яким місто хоче бути, чого і як воно має досягати; визначення стратегічних, операційних цілей та завдань, серед котрих уже чітко можна відстежити основні напрями формування брендингу міста. Основи брендингу міста закладаються у найбільш важливих сферах його розвитку, а також у візіях міста, які створюють можливість розробити й застосувати власний бренд.

Ключові слова: маркетинг територій, брендинг міста, бренд міста, інтегрований розвиток.

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JEL O18, O19, O21, R11

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Formation of City Brand in the Implementation of the Concept of Integrated Development. Modern realities and requirements for sustainable development of territories need ensuring diversity and a certain identification of each city. The relevance of this process is enhanced in terms of implementing the concept of integrated urban development, so the purpose of the article is defined as a spare impact on the formation of the personal brand of the city in the process of successful implementation of integrated development planning. The development and implementation of the concept of integrated development in the cities of Ukraine significantly contributes to the formation of city branding, puts the task of developing and implementing the city brand in the foreground, and provides an opportunity to borrow successful branding experience of European cities.

The result of such work is the formulation of a common vision of what the city wants to be, what and how it should achieve, the definition of strategic, operational goals and objectives, among which you can clearly trace the main directions of the city's branding. The foundations of the city's branding are laid in the most important areas of its development, as well as in the visions of the city, which create an opportunity to develop and apply your own brand.

Keywords**:** territory marketing, city branding, city brand, integrated development.

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JEL Z 32

THE USE OF STRATEGIC MARKETING TOOLS FOR TERRITORIES TO DEVELOP THE DOMESTIC TOURISM RESOURCE POTENTIAL

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Introduction. The need to realize the significant resource potential of Ukraine in the tourism industry makes the use of marketing tools for territories to develop the domestic tourism the actual problem. Development of destinations depends on how widely modern marketing techniques to increase the attractiveness of the territory and the level of competitiveness of its tourism services are widely used. The choice and use of innovative operational and strategic marketing tools for the domestic tourism resource potential development is an urgent issue for the current tourism market of Ukraine.

Analysis of recent research sources and publications. The issues of scientific substantiation of marketing aspects of territories development, tourism, services are of interest for such scientists as D. Aaker and E. Joachimsthaler [1], S. Anholt [2], L. de Chernacony [3], P. Kotler [4], J. Lambin [5], M. Porter [6] and others.

D. Cravens considers the development and implementation of a territory's marketing strategy as an ongoing process consisting of the stages of situational analysis, marketing strategy development, marketing program development, and marketing strategy implementation and management [7].

The issues of scientific research of tourist market development problems, including tourist destinations' marketing, are of interest for such Ukrainian scientists as O. Lubitseva [8], N. Letunovska [9], O. Romankin [10], Y. Rozhuk [11], I. Chernysh [12] and others.

Analyzing, systematizing and summarizing the main statements from the above scientific works, as well as taking into account current trends, it should be noted the growing attention to the domestic tourism development problems, its marketing and resource ensuring.

Setting the objectives. The aim of the article is to research of the features and to develop a set of recommendations for the use of strategic marketing tools for territories to develop the domestic tourism resource potential in Ukraine

Main material and results. Development and promotion of domestic tourism increases the competitiveness of the tourism sector, not only domestically, but also internationally. An important role in this is played by the tourism resource potential use and development. This issue is especially relevant today, when, as a result of the restrictions caused by the global pandemic, foreign tourist travels has practically stopped. Therefore, now travelers choose tourist destinations as close as possible to their place of permanent residence.

Accordingly, with the resumption of travel, in countries with a high share of domestic tourism, the tourism market revival and recovery will happen sooner. Hence, the development of domestic tourism should be a priority for Ukraine. Today, the world's largest tourism markets are China, the USA and India. This is due, primarily, the population in these countries and their geographical size. However, besides these, the countries also have the domestic tourism resource potential significantly developed, which is effectively used.

The domestic tourism resource potential and its development is determined by the tourism product that is created in this territory, its tourism infrastructure development, the tourist destination's brand, and the territory's promotion. All of these stages require appropriate marketing support based on the innovative marketing tools development and use, both operational and strategic.

Tourism - one of the largest industries in the world, which is developing dynamically. Over the past five years, one in four new jobs was created by the sector, making Travel & Tourism the best partner for governments to generate employment. In 2019, Travel & Tourism's direct, indirect and induced impact accounted for [13] (fig. 1):

- US $8.9 trillion contribution to the world's GDP;
- 10.3% of global GDP;
- 330 million jobs, 1 in 10 jobs around the world;
- US $1.7 trillion visitor exports (6.8% of total exports, 28.3% of global services exports);
- US $948 billion capital investment (4.3% of total investment).

Fig. 1. Travel & Tourism Regional Performance, 2019 [13]

However, the situation has changed radically as a result of the pandemic COVID-19, which caused a catastrophic impact on the tourism industry.

Global tourism suffered its worst year on record at the end of 2020, with international arrivals dropping by 74% according to the latest data from the World Tourism Organization (UNWTO). Destinations worldwide welcomed 1 billion fewer international arrivals in 2020 than in the previous year, due to an unprecedented fall in demand and widespread travel restrictions. This compares with the 4% decline recorded during the 2009 global economic crisis [14].

According to the latest UNWTO data, the collapse in international travel represents an estimated loss of USD 1.3 trillion in export revenues - more than 11 times the loss recorded during the 2009 global economic crisis. The crisis has put between 100 and 120 million direct tourism jobs at risk, many of them in small and medium-sized enterprises [14].

That's why we have to rethink and rebuild the tourism industry and its contribution to the world and national economies according to the new reality. One of the main goals is to create a more sustainable and resilient conditions for tourism industry that ensure the benefits of domestic tourism, its resource potential. It is important to use the strategic marketing tools for territories to develop and increase the domestic tourism resource potential.

J. Lambin in his scientific work notes that customer satisfaction (in this case, tourists) - is the core of marketing and the current economy [5]. However, the concept of need is the term, around which an endless debate, since it contains elements of subjective judgment based on morality or sometimes ideology. It is necessary to keep in mind the following facts:

- the constant appearance on the market of new products and brands;

- the impact of continuous bright ever-changing advertising;
- the customer satisfaction relative stability, despite the marked improvement in living standards.

Due to its advantages, strategic marketing in the tourism industry is gaining in importance both from a theoretical and practical point of view.

However, the lack of fundamental research on strategic marketing in tourism at the macro level requires additional studies.

This is due, firstly, to the complexity of the tourism product, and secondly, with the integration in the system of marketing in tourism of different institutional units, the content of the strategic and operational marketing ultimate goals which are not the same (fig. 2).

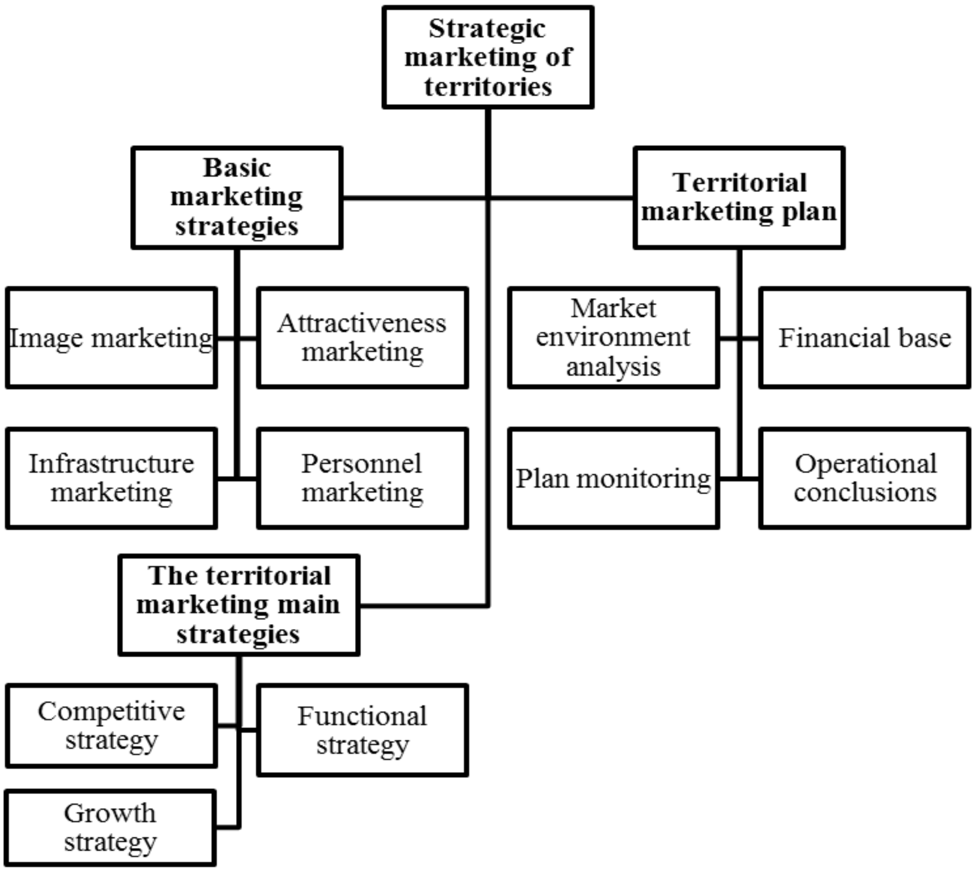

Fig. 2. Components of strategic marketing of territories

The relevance of tourism marketing is determined by the growing interest in marketing as a means of life support and the tourism market subjects' development; massive changes in consumer preferences and the new needs and lifestyle formation in their minds.

In current tourism services marketing, the branding of a territory as a tourist destination and local tourism products produced on it is also becoming increasingly important [15].

For the territory development as a tourist destination, it is necessary to mark the strategic marketing of territories "active phase" beginning, if up to this marketing tool has not been implemented or developed sporadically.

"Portfolio" matrix of the territory allows to see the currently successful and effective types of activities that are being implemented in this territory, as well as to predict which types of activities can be considered as perspective in the future [16].

Thorough knowledge of the market in the domestic tourism resource potential development context is an advantage for the territorial marketing and makes it possible to achieve the tourist destination's attractiveness due to its strengths. Attractiveness is also achieved through local resources, labor, agglomeration effect and an integrated brand.

Table 1

"Portfolio" strategy in the territorial marketing

	The most developed activities in the territory today	**The least developed activities in the territory today**
Activities, the demand for goods (services) of which is growing at a high rate	"Star" - types of activities (goods, services), the demand for which today and in the near future will grow rapidly.	"Question mark" - in which activities (goods and services) should be directed the limited resources available to obtain high returns in the future.
Activities, the demand for goods (services) of which is growing at a low rate	"Cash Cow" - activities (goods and services), which today bring the highest possible amount of the territory total income.	"Dog" - types of activities (goods, services) that should be preserved for the territory image or because of their great social significance for the territory.

These factors analysis is an important first step in the territorial marketing concept implementation [17]:

1. thorough analysis of the territory resources and its specific capabilities using SWOT analysis;
2. selection of an appropriate territorial positioning;
3. adaptation and / or creation of a new attractiveness factors, allowing to present an individual proposal in accordance with a given territory development concept;
4. constant study of potential markets through ongoing monitoring;
5. renovation and completion of the existing strategy in the framework of territorial development concept as a tourist destination.

To develop domestic tourism with the use of strategic marketing tools, it is necessary to very carefully diversify the tourist destinations development directions and choose the most effective marketing strategy, since domestic tourists already have a common image of some destination. Thus, an insufficiently correct analysis of resources, an incorrectly chosen conversion communication channel may not work.

The use of «classical» tools is effective in symbiosis with innovative ones to ensure a synergistic effect and create the territory's positive attractive image (fig. 3) [5].

The image marketing focuses primarily on the creation and dissemination of the territory's positive image. This strategy is relatively inexpensive as it does not require significant investment in infrastructure, economic reforms, etc. Its main focus is communication impact on potential consumers and dissemination of information about the strengths and advantages of the territory.

Important in this case is characteristic of each group of consumers, the definition of their specific expectations and needs.

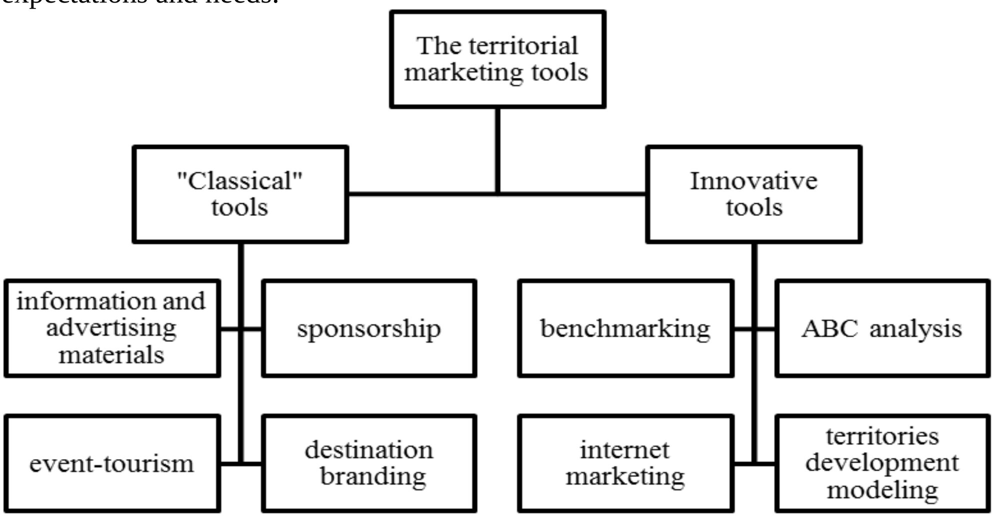

Fig. 3. The territorial marketing tools

For segmentation, it is necessary to consider:
- the function of needs - "what" is satisfied;
- technologies - "how" needs are met;

- consumer groups - the "who" enjoys [16].

Among other things, when developing the content of territorial marketing as a tourist destination, it is necessary to take into account the ethnographic, political, economic reasons for the original and unique tourist product creation.

One of the examples of successful strategic marketing of territories (both in the context of domestic and inbound tourism) is the French Riviera (Cote d'Azur), to which, according to the Regional Tourism Committee of the Cote d'Azur, 13 million tourists come annually, accounting for 83 million overnight stays [18].

Unfortunately, there are no such successful examples on the territory of Ukraine yet. Among the domestic tourist destinations, Bukovel, Odessa region and city of Kyiv have a positive territory's image. Regarding the Kharkiv region, for example, its image can be characterized as weakly expressed. This territory as a tourist destination is little known to target groups of potential consumers, tourists. Among the main reasons are the lack of competitive advantages development, insufficiently effective advertising campaign and tourist attractions promotion, the tourist infrastructure insufficiently developed. Therefore, to form a positive image and the effective implementation of such marketing strategy as image marketing should be focused to form a communications policy and information flows.

In general, the Kharkiv region has a fairly significant resource potential for the domestic tourism development. Kharkiv owns a huge scientific potential, cultural heritage and investment attractiveness. Kharkiv is open to the whole world, it has 26 sister cities. The strategic goal of the city is to represent city of Kharkiv in the rating "Top-100 cities of the world" by 2030. Kharkiv is a promising center for exhibition and congress activities and is able to attract significant tourist flows, on condition of the tourism infrastructure development and the territory attractiveness marketing effective (fig. 4).

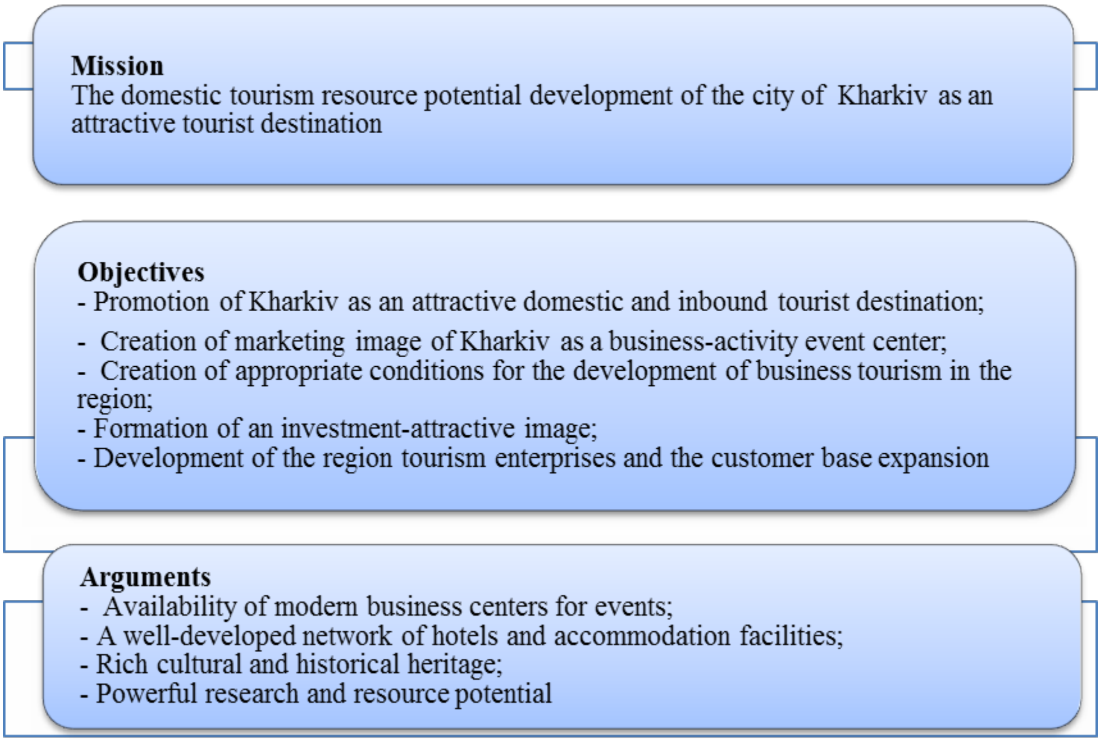

Fig. 4. Competitive advantages of Kharkiv as an attractive touristic destination

Conclusions. The use of strategic marketing tools for territories is a multi-level set of activities. The success of their implementation depends on cooperation and coordination between the different actors, stakeholders, government agencies etc. The use of effective and innovative tools for strategic marketing of territories should play a special role in positioning the territory as a tourist destination, determining the strategy of the authorities and the population to develop its advantages and reduce competitive disadvantages. The use of strategic marketing tools for the domestic tourism resource potential development makes sense in conjunction with the general strategy and concept of a country or region tourism development, taking into account the ethnographic, geographical, political and economic characteristics of the destination. In addition, it is extremely important to segment and cluster each consumer group for a more positive effect and creating the necessary territory's image.

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JEL Z 32

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Ключові слова: стратегічний маркетинг, ресурсний потенціал, маркетинг теориторії, бренд дестинації, внутрішній туризм, регіон.

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JEL Z 32

Sushchenko Olena, Doctor of Sciences (Economics), Professor. **Dekhtyar Nadiya,** PhD (Economics), Associate Professor. Simon Kuznets Kharkiv National University of Economics. **Chernysh Iryna**, Doctor of Sciences (Economics), Professor. National University «Yuri Kondratyuk Poltava Polytechnic». **The Use of Strategic Marketing Tools for Territories to Develop the Domestic Tourism Resource Potential.** The aim of the article is to research of the features and to develop a set of recommendations for the use of strategic marketing tools for territories to develop the resource potential in Ukraine. The use of tourism resource potential is played an important role in the domestic tourism development. It is shown that the domestic tourism resource potential development is determined by the tourist product, the tourist infrastructure, the territory promotion, and the destination brand. The use of strategic marketing innovative tools and marketing support is grounded. The components of strategic marketing of territories are determined. The use of "portfolio" strategy in territorial marketing is proposed. The general tools of territorial marketing are given. It is substantiated that the Kharkiv region has a significant resource potential for the domestic tourism development. To form a positive image of Kharkiv as a tourist destination the implementation of an image marketing strategy is proposed. The competitive advantages of Kharkiv as an attractive tourist destination, a perspective center of exhibition and congress activities are determined.

Key words: strategic marketing, resource potential, territorial marketing, destination branding, domestic tourism, region.

ECONOMICS AND BUSINESS ADMINISTRATION (according to the economic activity types)

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ASSESSMENT OF THE COMPETITIVENESS OF THE TOURIST ENTERPRISE IN THE MODERN CONDITIONS

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Introduction. The first theoretical studies of the nature of competition were made in the middle of the XVIII century. However, there was no deep study of this problem until the second half of the XX century. The interest in competition and competitiveness that emerged at the time was due to the complexity of the economic struggle for markets. Based on the generalization of management practice, scientists of that time formulated the main strategies that allowed to win in the fight against competitors. Therefore, it is natural that competition subordinates and directs the activities of all market participants, acts as a regulator of supply and demand for goods and services.

In modern market principles of competition is the main regulator of social production. It is an objective law that forces the most efficient use of the economic resources involved in the production process, which is formed by the owner, and to offer on the market cheaper and higher quality goods and services compared to competitors.

The current period of economic development of Ukraine is accompanied by market reforms and integration into the world economic space, entering the international market of tourist services, which intensifies the struggle between businesses that offer tourist services. Therefore, to ensure success in the market, a travel company should strive to improve the quality of travel services at reasonable prices, improve the forms of organization of customer service and increase, on this basis, profits. To ensure the long-term functioning of the enterprise in the market it is necessary to constantly ensure the appropriate level of competitiveness of products, which is the key to the competitiveness of the enterprise, on the basis of which financial stability is formed as a result of profitability.

Literature review. Problems of competition research have been studied in the works of many scientists, the classics who dealt with this issue can be called I. Ansoff [1], who thought that the competitiveness of the enterprise depends on the efficiency of its work, M. Porter [2], who developed an analytical model of the five forces, which allows to determine the nature and intensity of competition in the industry, M. Branham, G. Bagiev [3, 4], they were solving the problems of assessing the competitiveness of the enterprise, Azoev G.L., Chelenkov A.P. [5], E. Golubkov [6] in their work propose to begin to identify priority competitors in the distribution them into groups according to their role in the competition. In modern research, the assessment of the level of competitiveness of enterprises deal with O. Mlotok [7], who is the author of the method of assessing the level of competitiveness in the theory of effective competition, R. Fatkhutdinov [8], I. M. Lifits [9] note that competition is a process of managing its competitive advantages to win or achievement of other goals, H. Fashiev [10] described and analyzed in details the methods of assessing the competitiveness of the enterprise.

The formation and development of competition in the tourism industry arouse the interest of foreign and Ukrainian scientists, in particular, the development of a strategy for sustainable development of the tourism industry is given considerable attention in the works by V.M. Isaienko, K.D. Nikolaiev, K.O. Babikova, H.O. Biliavskyi, I.H. Smirnov [11], problems and prospects for the development of the tourism industry T.I. Tkachenko studied [12], the impact of changes in the international tourism business on the strategic development of the Ukrainian tourist enterprise was studied by L.P. Dyadechko [5], strategic directions of increasing the competitiveness of tourist enterprises were considered in the works by M. Malska [14], O.P. Savitska [15] et al. Thus, it is necessary to note the presence of a large number of scientific papers, which investigated the development of the tourism industry.

In the scientific literature there are many approaches of assessing the competitiveness of the enterprise, but they are all quite different, there is no single approach. The situation is complicated by the fact that the competitiveness of the enterprise is viewed from the point of view of marketing, strategic management, economics and finance of the enterprise.

However, the issue of effective long-term development of competition in the tourism industry is insufficiently developed. Among the problematic issues are the assessment of competition and the competitive environment in tourism and the development of evidence-based principles of the competitive environment in tourism.

Purpose of the article. The aim of the article is to analyze the key theoretical and practical assessing methods the competitiveness of the tourist enterprise and to identify opportunities to increase the level of their competitiveness as a leading area of sustainable development in tourism.

Research results. In a competitive environment, the company needs to constantly monitor the market situation and be able to adapt to changes in market situations in the future. These problems are also relevant for enterprises in the tourism industry, which, despite the potential for development, bring insufficient revenue to the country's budget due to low competitiveness.

Issues of competition and competitiveness that have gained important practical importance in a market economy, remain unexplored in terms of industry specifics in tourism, their adequacy to the principles of sustainable development.

The competitiveness of the enterprise, along with many other factors determine the market value of the enterprise, so the methods used in the valuation of the level of competitiveness of the tourist enterprise and the market value of the company may partly coincide. The concept of the set, sequence and relationships of economic evaluation is shown in Fig. 1.

The process of forming the competitiveness of a tourist enterprise is associated with solving the problem of the fastest achievement of the planned results in the internal environment and market situation. In this case, the goal is the result, and strategy – the tools to achieve it. Indeed, strategy is one of the most important management tools for building the competitiveness of the enterprise.

A very important point in the formation of competitiveness is the study and analysis of the internal environment of the enterprise and the market competitive environment. Incorrect or insufficient assessment of internal environment contributes to the erroneous development of the strategy. This calls into question the achievement of the goal of high competitiveness.

Enterprises that confidently and reliably keep their competitors in the market have in their arsenal a well-thought-out strategy which usually consists of planned, well-thought-out targeted actions and reactions, that is “appropriate actions” at different scales of time and space for unforeseen developments and on the intensifying competition. In other words, a strategy is an aggregate of a well-thought-out plan of unplanned measures and actions that cannot be predicted in advance due to market instability and uncertainty.

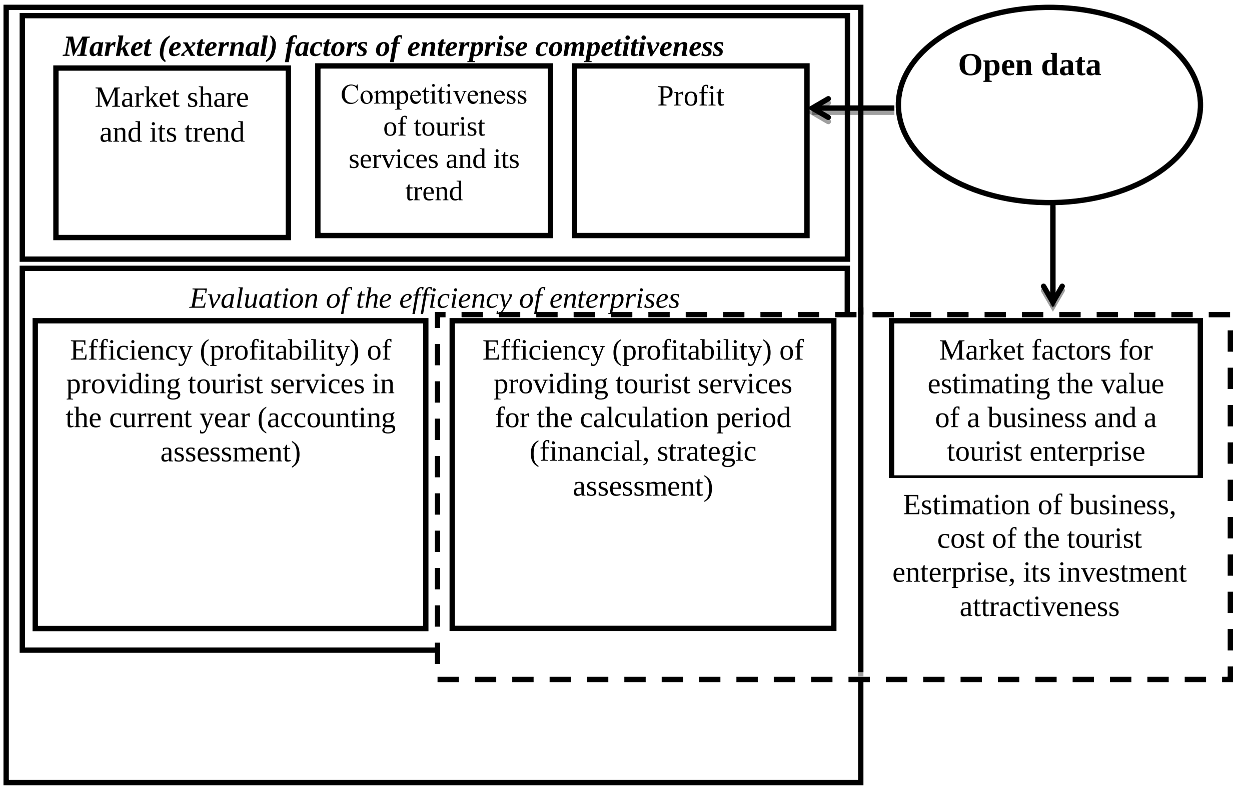

Fig. 1. A set of tasks that are interrelated and to be solved when assessing the competitiveness of the tourist enterprise and its market value

Summarizing the existing approaches to the concept of enterprise competitiveness, we propose the following definition of competitiveness for a tourist enterprise: competitiveness of a tourist enterprise is its ability to provide higher efficiency of tourist services and profitability of tourist product sales in the long term. Schematically, the structure of the concept of competitiveness of a tourist enterprise is presented on Fig. 2.

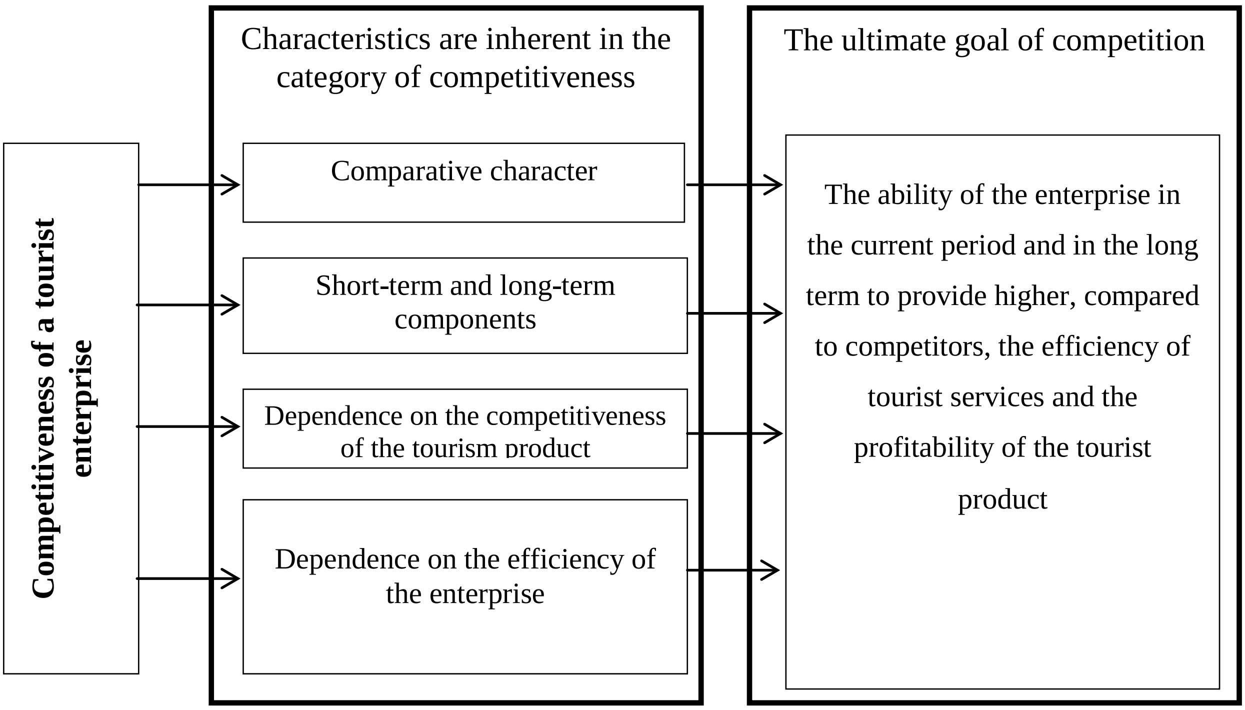

Fig. 2. The concept of competitiveness of the tourist enterprise and its characteristics

This conceptual definition of the category of competitiveness of the enterprise determines the content of the assessment of the competitiveness of a modern tourist enterprise.

Factors of competitiveness of the tourist enterprise in the majority are various and heterogeneous: management, labor productivity, various technology of rendering of tourist services, efficiency of realization of tourist services, quality and the price of service, etc. In our opinion, it is reasonable to say that the competitiveness of a tourist enterprise is a complex characteristic, and therefore it is the result of the tourist enterprise in all areas of development and provision of tourist services and their governance.

The choice of factors for the assessment of competitiveness should be based on the objectives of assessing the level of competitiveness of the tourist enterprise. Among them may be the following:

– determining the position of the company compared to competitors;

– development and implementation of measures to increase the level of competitiveness;

– attraction of investor funds;

– development of a program to enter on the new markets for tourism products.

Thus, the method of quantitative assessment of the level of competitiveness of the tourist enterprise is considered, proceeding from the following purposes: identification of critical resources that create competitiveness in the tourism industry, and opportunities to improve the efficiency of the enterprise compared to competitors – for the owner; choosing the most efficient company in the industry – for a potential investor.

It is generally recognized that at present there is no single method of assessing the level of competitiveness of the enterprise, which significantly complicates the definition of this characteristic. But this is not the only problem faced by the analyst in assessing the competitiveness of the enterprise. In our opinion, the most acute problem in assessing the level of competitiveness of a tourist enterprise is the lack of information about competitors, which is often a trade secret or not made public due to uncertainty about their advantages over competitors.

This problem has different levels of complexity depending on the degree of competition in the tourism industry: the higher this level, the smaller the amount of publicly available information. This problem is followed by a set of other problems, such as incomplete analysis of the level of competitiveness, the use of subjective scores, high financial and time costs for research of a new tourism product, and so on. All this significantly reduces the reliability and practical value of the results of the calculation of competitiveness.

In view of listed and characterized problems of assessing the competitiveness of the tourist enterprise, we propose to make the following requirements to the methodology of such assessment:

– objectivity (quantitative character) of used indicators;

– availability of information which needed for calculations;

– complexity – taking into account all the essential characteristics of the enterprise;

– systematic research;

– the presence of economic content in the final indicator and the possibility of its clear interpretation;

– value for enterprise management practice.

Generalization of the theory and practice of assessing the level of competitiveness of a tourist enterprise, establishing its relationship with the efficiency of the tourist product and the market value of the enterprise allows to establish the main factors and relevant components (blocks) of methods for assessing the competitiveness of the tourist enterprise (Fig. 3).

This systematization of factors is their classification on the following grounds:

1. by type of factors that are taken into account, assessing the level of competitiveness of the tourist enterprise:

– external (exogenous), which assess the position of the tourist enterprise in the market of goods (services);

– internal (endogenous), which measure the efficiency of the enterprise in the current year and at the calculation period;

2. according to the source of information used for research:

– based on open quality information;

– based on conditionally open quantitative information;

– based on public financial statements of enterprises;

3. by assessment period:

– in statistics (current year, accounting estimates);

– in dynamics (for the calculation period, financial estimates).

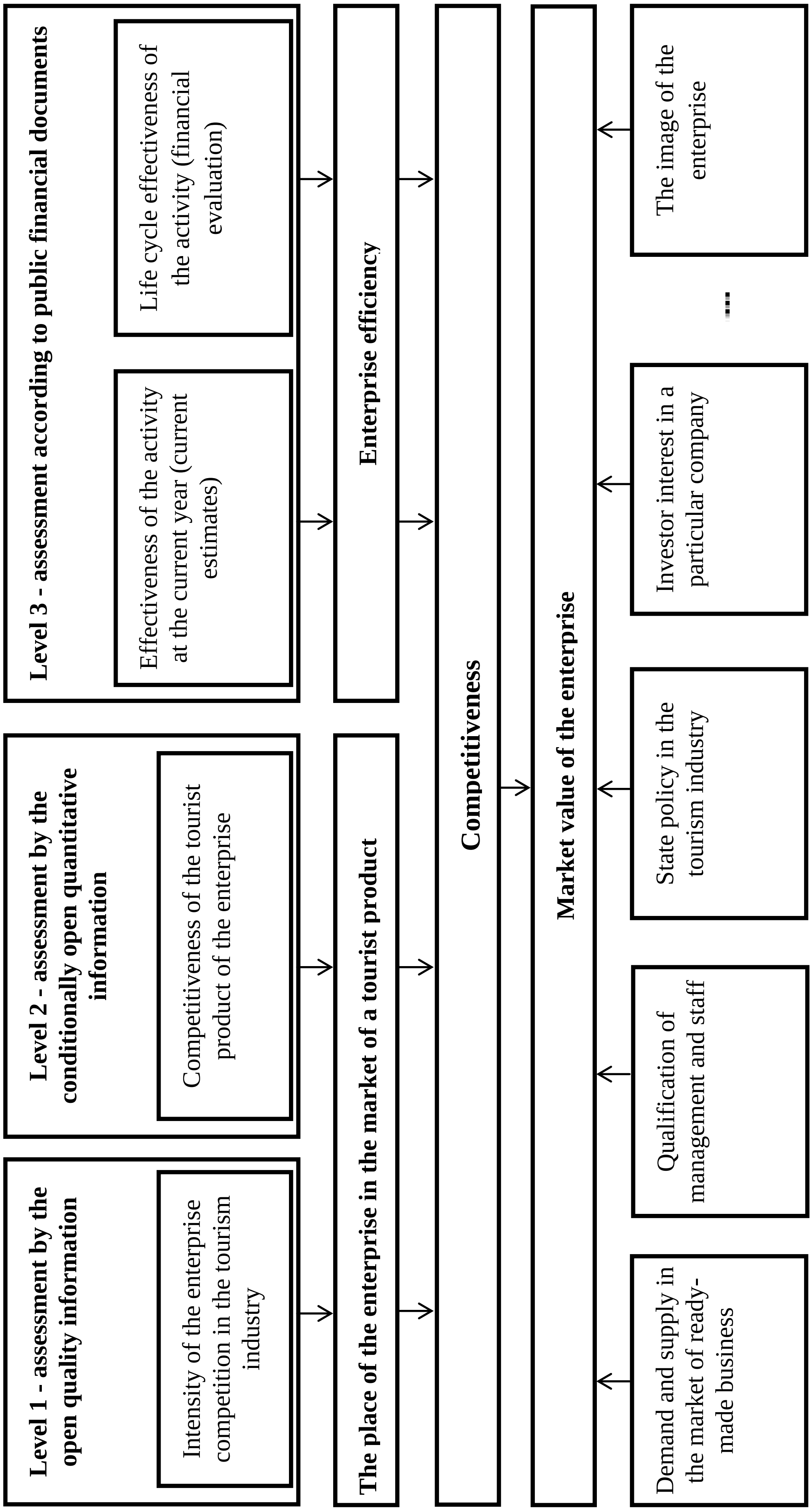

Fig. 3 Three-level system of factors of competitiveness of the tourist enterprise and interconnection of competitiveness and cost of the enterprise

Thus, we consider that the most important is the classification of factors according to the sources of information on which their study is based, because the problem of information lack, as noted above, is the most significant in theory and practice of assessing the competitiveness of tourism enterprises. Based on this, we propose to distinguish three levels in the content, assessment and analysis of the level of competitiveness of the enterprise depending on the completeness of the available information:

1) analysis and modeling of the company's position in the market of tourist services on the basis of open qualitative information on the intensity of competition in the tourism industry;

2) analysis and modeling of the company's position in the market of tourist services on the basis of conditionally open quantitative information that characterizes the tourist product in the industry and tourist services of competing companies;

3) analysis and modeling of the efficiency of the tourist enterprise on the basis of financial indicators of its activity in the current year (based on accounting estimates) and for the calculation period (life cycle of the business, enterprise, tourist product, etc.).

Conclusions. The theoretical foundations of the study of the competitiveness of enterprises were laid in the works on strategic management and marketing. Highlighting the problem of enterprise competitiveness as a separate subject of study is a recent trend in economics.

The modern period of economic development of Ukraine is accompanied by the formation of a modern space in which various business structures operate. This requires the solution of completely new tasks for them, caused by the radical reform of their organization and management on the basis of comprehensive use of achievements in the formation of high and stable in time competitiveness. Such approaches to the formation and assessment of competitiveness also apply to tourism enterprises.

The competitiveness of a tourism enterprise is its ability in the current period and in the long term to provide higher, compared to competitors, the efficiency of the tourism product and the profitability of its implementation. The main characteristics of competitiveness as an economic category are: comparative character (relative assessment); short-term and long-term components; dependence on the competitiveness of the tourist product; dependence on the efficiency of the acivity of enterprise.

Based on the above, it can be argued that at the initial stage of development of the tourist enterprise, the competitiveness of the tourist product plays a crucial role in the level of competitiveness of the enterprise, because it provides an inflow of funds (i.e. able to pay). In the future, having established itself in the market, the tourist enterprise should pay more attention to cost reduction and constant innovative development of the tourist product.

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JEL C13, L10, L83

Шаповал Валентина Михайлівна, доктор економічних наук, професор, завідувач кафедри туризму та економіки підприємства. **Герасименко Тетяна Володимирівна,** кандидат геологічних наук, доцент. **Юрчишина Людмила Іванівна**, старший викладач. Національний технічний університет «Дніпровська політехніка». **Оцінювання конкурентоспроможності туристичного підприємства в сучасних умовах.** Розглянуто й виділено проблеми конкурентоспроможності туристичного підприємства як окремого предмета дослідження. Виявлено, що стратегічні зміни останнього часу, які виступають запорукою створення майбутніх конкурентних переваг є результатом забезпечення тривалого розвитку туристичного підприємства у відповідних конкурентних умовах господарювання. Теоретичною й методологічною основою дослідження є наукові розробки вітчизняних і закордонних учених, пов’язані з конкурентоспроможністю як пріоритетним економічним чинником сталого розвитку та функціонування туристичного підприємства в мінливому зовнішньому середовищі, матеріали спеціалізованих наукових конференцій і симпозіумів. Показано, що найгострішою проблемою оцінювання рівня конкурентоспроможності туристичного підприємства виступає дефіцит інформації про конкурентів, що призводить до неповноти аналізу, використання суб’єктивних балових оцінок, високих фінансових та часових витрат на проведення дослідження рівня конкурентоспроможності. Проаналізовано основні конкурентні стратегії підприємства, які дозволяють виграти у боротьбі з конкурентами. Зроблено акцент на необхідності розроблення етапів системності дослідження конкурентоспроможності підприємств туристичної галузі, що дасть змогу охарактеризувати рівень їх конкурентоспроможності навіть в умовах дефіциту інформації. Отримані результати дослідження є основою для наукового обґрунтування процесу управління конкурентоспроможністю туристичних послуг (товару), що виступає однією з підцілей управління конкурентоспроможністю підприємства і має йому підпорядковуватися.

Отримані результати дослідження – це підґрунтя для ефективного стратегічного управління розвитком туристичних підприємств, здатного підвищити конкурентоспроможність вітчизняної туріндустрії.

Ключові слова: конкурентоспроможність підприємства, туристичне підприємство, туристичні послуги, стратегія, конкуренті переваги, інформація, ринки збуту.

UDC 338.45:621

JEL C13, L10, L83

Shapoval V.M., Doctor of economics science, professor, Head of the Department of tourism and enterprise economics. **Herasymenko T.V.,** PhD (Geological Sciences), Associate professor. **Yurchyshyna L.I.,** Senior Lecturer. National Technical University «Dnipro Polytechnic». **Assessment of the Competitiveness of the Tourist Enterprise in the Modern Conditions.** The theoretical and methodological basis of the study are scientific developments of domestic and foreign scientists related to competitiveness as a priority economic factor of sustainable development and functioning of the tourist enterprise in a changing environment, materials of specialized scientific conferences and symposia. The article considers and highlights the problems of competitiveness of the tourist enterprise as a separate subject of research. It is revealed that the recent strategic changes, which are the key to creating future competitive advantages, are the result of ensuring the long-term development of the tourist enterprise in the relevant competitive economic conditions. It is shown that the most acute problem of assessing the level of competitiveness of a tourist enterprise is the lack of information about competitors, which leads to incomplete analysis, the use of subjective scores, high financial and time costs to conduct a study of competitiveness. The main competitive strategies of the enterprise which allow to win in struggle against competitors are analyzed. Emphasis is placed on the need to develop stages of systematic study of the competitiveness of tourism enterprises, which will allow to characterize the level of their competitiveness, even in conditions of information lack. The obtained results of the research are the basis for the scientific substantiation of the process of managing the competitiveness of tourist services (goods), which is one of the sub-goals of managing the competitiveness of the enterprise and should be subordinated to it.

The results of the study are the basis for effective strategic management of tourism enterprises of Ukraine, capable of enhancing the competitiveness of the industry.

Key words: enterprise competitiveness, tourist enterprise, tourist services, strategy, competitive advantages, information, markets.

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ANALYSIS OF THE CONCEPT "RESOURCES" AND THE MECHANISM OF THEIR EFFECTIVE FORMATION

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Introduction. In modern market conditions, manufacturers are faced with an acute task of finding ways to ensure a high level of competitiveness, which requires the introduction of measures designed to improve the efficiency of using all the components of the enterprise's economic system. The main task of entrepreneurial activity is to obtain as much net profit as possible, which encourages entrepreneurs to constantly search for reserves and directions for improving the efficiency of using the resources they control. This issue becomes especially relevant for large industrial enterprises, which is explained by the need to use a significant amount of various resources in their production activities. In order to improve the use of resources, it is necessary to identify and evaluate the factors and factors that affect the generalizing indicators of their use: fund intensity and fund return, labor productivity, etc.

The relevance of the chosen topic is due to the fact that the issue of efficient use of resources has always aroused increased interest, not only among business leaders and employees of economic departments, but also scientists. The authors repeatedly turn to the study of this topic in order to find theoretical and practical directions for reducing costs, and therefore increasing competitiveness in the markets.

Review of the recent research and publications sources. Economists, researchers, scientists, and practitioners constantly pay a lot of attention to the study of resource availability and their effective use. In particular, they are widely covered in many scientific works, manuals, and textbooks of their best practices [1-8].

Determine the external resources that could increase social enterprises' efficiencies and performance, are the key management issues for the external supportive bodies. Guiding by the resource dependence theory, this cross-nation quantitative study established a framework to examine the most prominent external resources (i.e., financial and training supports), which were mediated by formal business planning, towards the financial and social performance of social enterprises in the emerging contexts (i.e., Malaysia and Singapore) [1].

Based on general theoretical analyses of the integration of scientific and technological resources and polarization effect, authors proposed a research model to explore the relationship between the integration of scientific and technological resources, polarization effect, and enterprise's innovation ability in emerging economies, specifically using the data from Chinese enterprises. Authors empirically found that polarization effect can be used as the intermediary variables between the integration of scientific and technological resources and enterprises' innovation ability. The results provided important insights to enterprises in emerging economies about utilizing the polarization effect of the integration of scientific and technological resources to improve innovation capability [2].

Enterprise Resource Planning (ERP) system is an Information Technology (IT) business solution that enables construction companies and their contractors to manage capital projects effectively and efficiently throughout the project lifecycle. Many studies have demonstrated the benefits of ERP systems in construction, correspondingly, more studies have reported the importance of investigating the critical success factors (CSFs) of the implementation process [5].

Many vendors of Enterprise Resource Planning (ERP) systems claim their products are widely applicable–configurable to meet the needs of any business, whatever the product or service offering. But Make-To-Order (MTO) companies, which produce high-variety and bespoke products, have particularly challenging decision support requirements and it remains unclear whether ERP systems can meet their needs. The paper [7] takes a contingency-based perspective of ERP adoption, assessing the fit or alignment between ERP functionality and a MTO production strategy. MTO features considered include: decision support requirements at critical Production Planning and Control (PPC) stages, idiosyncratic market-related features, typical company size and supply chain positioning, and shop floor configuration. It finds a substantial gap or misalignment between ERP functionality and MTO requirements; for example, between decision support provided by ERP systems and the decision support required by MTO companies at the customer enquiry and design & engineering stages. A research agenda for improving alignment is outlined, with implications for academics, MTO managers and ERP software developers. This includes: developing decision support tools that reflect the customer enquiry management activities of MTO companies; embedding MTO-relevant PPC concepts within ERP systems; and, conducting an in-depth empirical study into applications of ERP systems in MTO companies, assessing their performance impact.

The effect of a Make-To-Order (MTO) production strategy on the applicability and impact of Enterprise Resource Planning (ERP) systems is investigated through a mixed method approach comprised of an exploratory and explanatory survey followed by three case studies. Data on Make-To-Stock (MTS) companies is also collected as a basis for comparison. The exploratory data demonstrates, for example, that MTO adopters of ERP found the system selection process more difficult than MTS adopters. Meanwhile, a key reason why some MTO companies have not adopted ERP is that it is perceived as unsuitable. The explanatory data is used to test a series of hypotheses on the fit between decision support requirements, ERP functionality, and company performance. In general, a poor fit between the decision support requirements of MTO companies and ERP functionality is identified, although certain modules can lead to performance improvements – most notably for Customer Enquiry Management (CEM). MTS companies make more use of planning tools within ERP systems, and it is concluded that production strategy is an important contextual factor affecting both applicability and impact. Follow-up cases with two MTO adopters and one MTO non-adopter develop a deeper understanding of the survey results [8].

It should be noted that there is no single interpretation of the categories "resources" and their composition in the literature.

Task statement. The aim of the work is to study the concept of "resources" and the mechanism of their effective formation, to study the features of the efficiency of using enterprise resources, and to increase their reserves. This goal led to the solution of the following tasks: disclosure of the essence concept and composition of enterprise resources; analysis of the concept of "resources" and indicators that characterize them; identification of reserves and directions for efficient use of resources.

The object of research in this paper is the resources of the enterprise and the directions of their effective use. The subject of the research is a system of theoretical, methodological and practical aspects related to resources and the efficiency of their use. The methodological basis of the research was made up of general scientific and special methods: synthesis, logical, statistical, grouping, comparison, research of scientific professional sources, economic analysis, stylistic, etc.

Basic material and results. The effective operation of any enterprise depends, first of all, on the efficiency of using all types of resources. In this regard, it is extremely important to determine the degree of use of resources, which is the basis for analyzing the efficiency of the economy, calculating the competitiveness of the enterprise. The economic encyclopedia defines the following category of "resources": these are "the main elements of productive potential that the system has and that are used to achieve specific goals of economic development."

They believe that economic resources are a set of means by which a business entity can achieve a goal and get the expected result. The main feature of the category "economic resources" is the use of factors of production in production, the acquisition of a form. Potential resources formed in the capital market are transformed only into actual, real resources (assets) of the enterprise only from the moment of their acquisition, and factors of production from the moment of their intended use. Analysis of the definition of the concept of "resources" by modern scientific methods shows that most researchers understand "resources" as the means and actual opportunity of organizing a business entity, that is, to use their resources efficiently to achieve goals and implement tasks. Resources are an important factor in production. Resource provision is important for the economic environment and the system of all business entities, and this has always been subject to research by economists. The understanding of the essence of resources has been formed in the modern economic literature and covers a wide range of classification systems. According to different classification criteria, different types of resources are allocated (fig. 1).

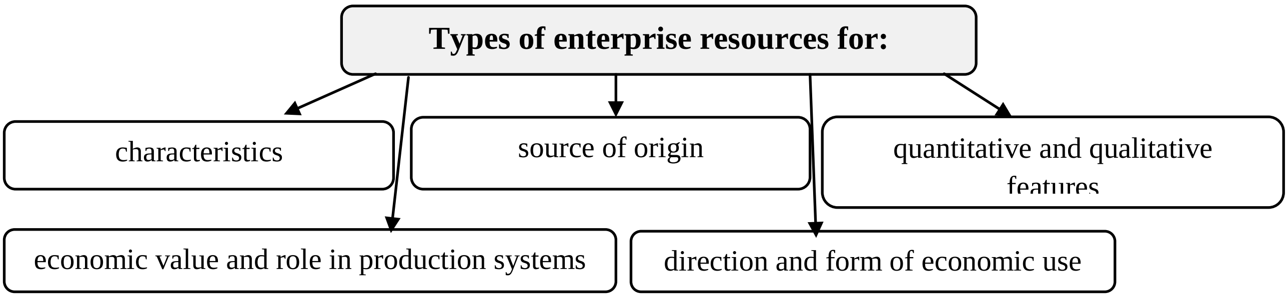

Fig.1. Types of enterprise resources

In the literature specializing in economics, some authors divide resources into natural, labor, material, and financial ones. Some authors have also added information resources to this classification. At the same time, natural resources include both their actual reserves, which can be obtained from a technical point of view and those that can be economically profitable at the current stage of technology development, as well as the potential for economic development in the future.

The scientific literature also provides for a more detailed classification of resources. The economic encyclopedia lists the types of resources: natural, technical, technological, personnel, spatial, temporal, structural and organizational, informational, financial, and intangible. They also demonstrate the classification of resources by the main elements of the production process: resources of the means of labor (material and non-material); resources of labor objects; labor resources; information resources. Individual researchers identify resource cells based on corporate activities: resources that serve operational, financial, and investment activities. The following types of economic resources are distinguished: labor, financial, tangible (fixed assets and current assets), intangible and informational.

During the study, we came to the conclusion that the classification given in Figure 2 is the most convenient and complete.

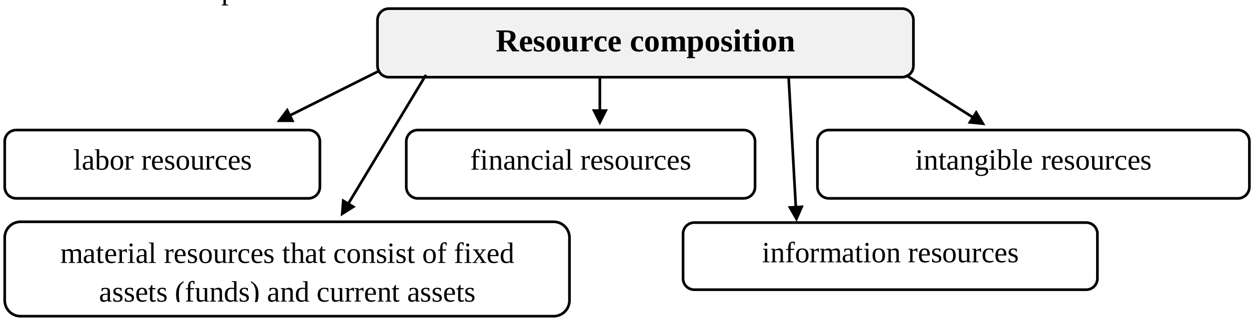

Fig.2. Composition of enterprise resources

Therefore, we will briefly consider each group of economic resources (fig.3).

Taking into account the importance and significance of using resource conservation strategies in the production process to assess the effectiveness of enterprises and industries in general, we recommend using a set of indicators of systematic resource provision and their types. Taking this into account, we believe that there are objective prerequisites for considering the production potential and resources of an enterprise formed into four main components (fig.4).

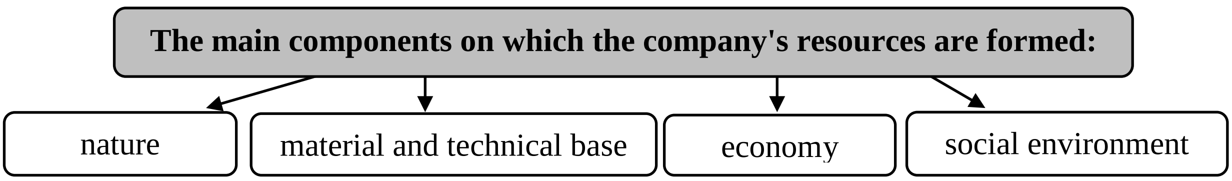

Fig.4. Main components for generating enterprise resources

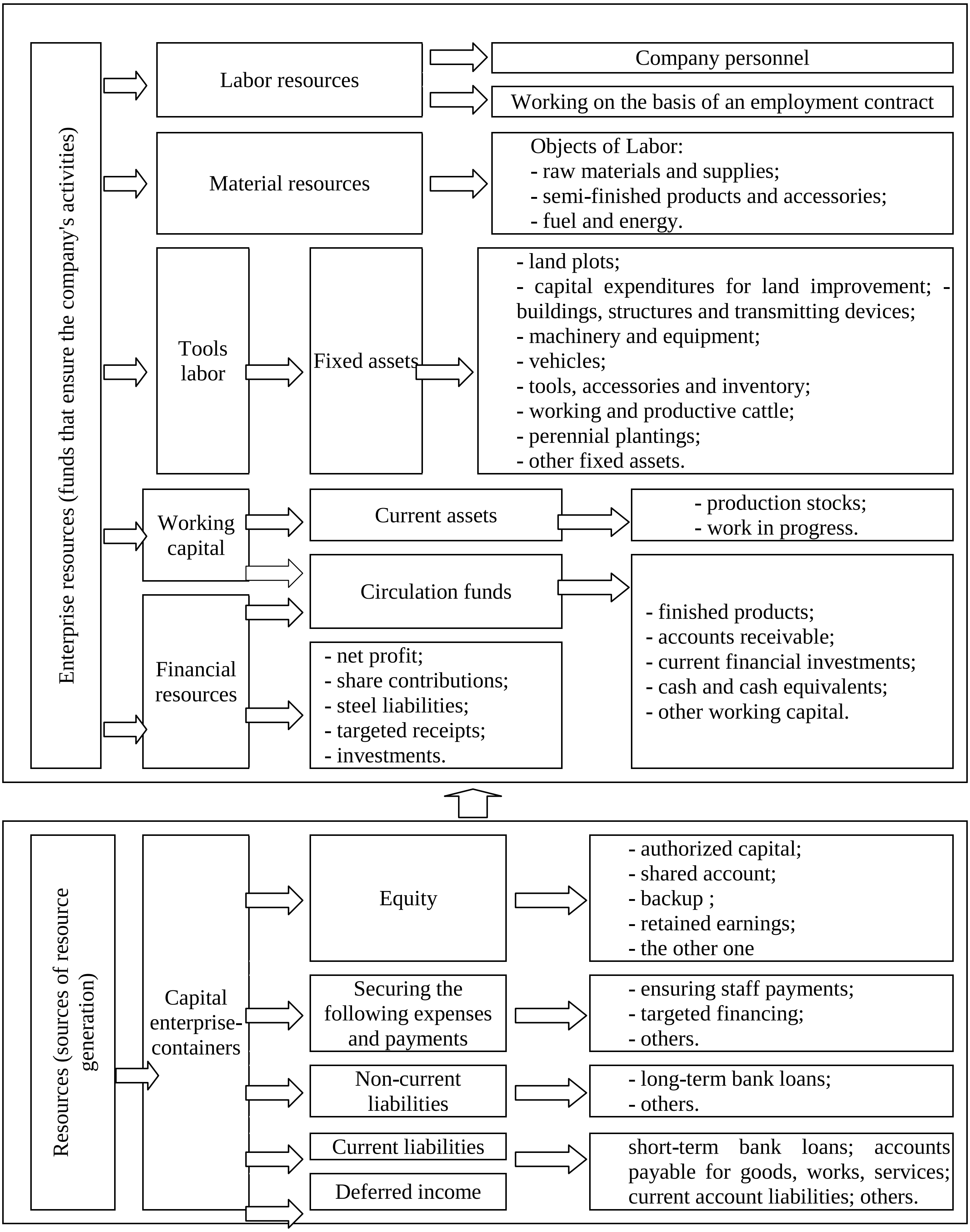

Fig.3. Enterprise resources

In turn, the natural component of potential depends on the available land and water resources and favorable production and climatic conditions (fig. 5).

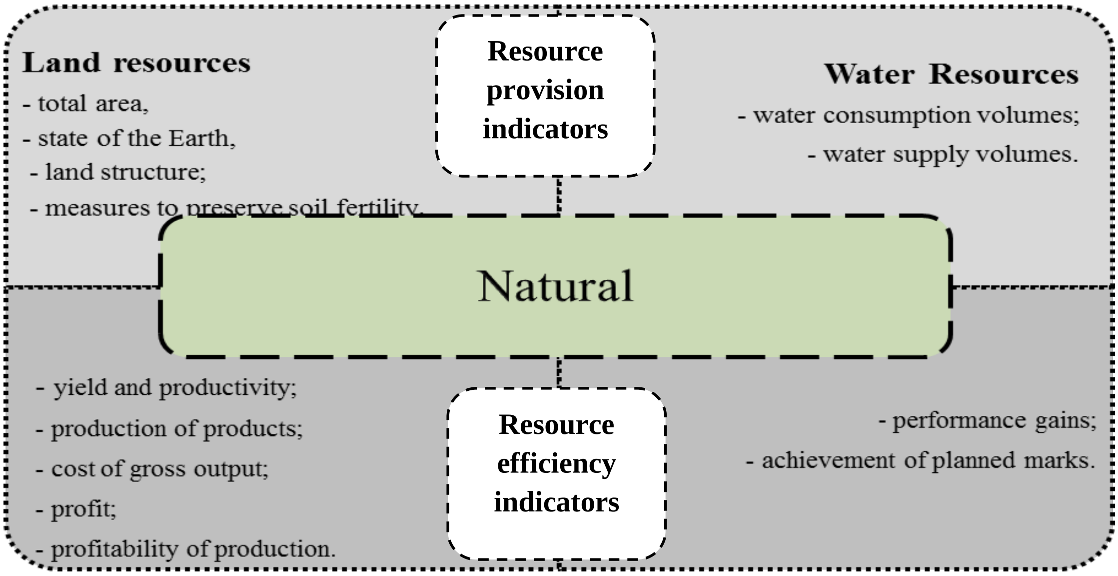

Fig.5. Key indicators of ensuring and efficient use of Natural Resources

The structure of material and technical resources consists of buildings, structures, vehicles, equipment, fuel and energy, building materials, fertilizers, protective equipment, etc. (fig. 6).

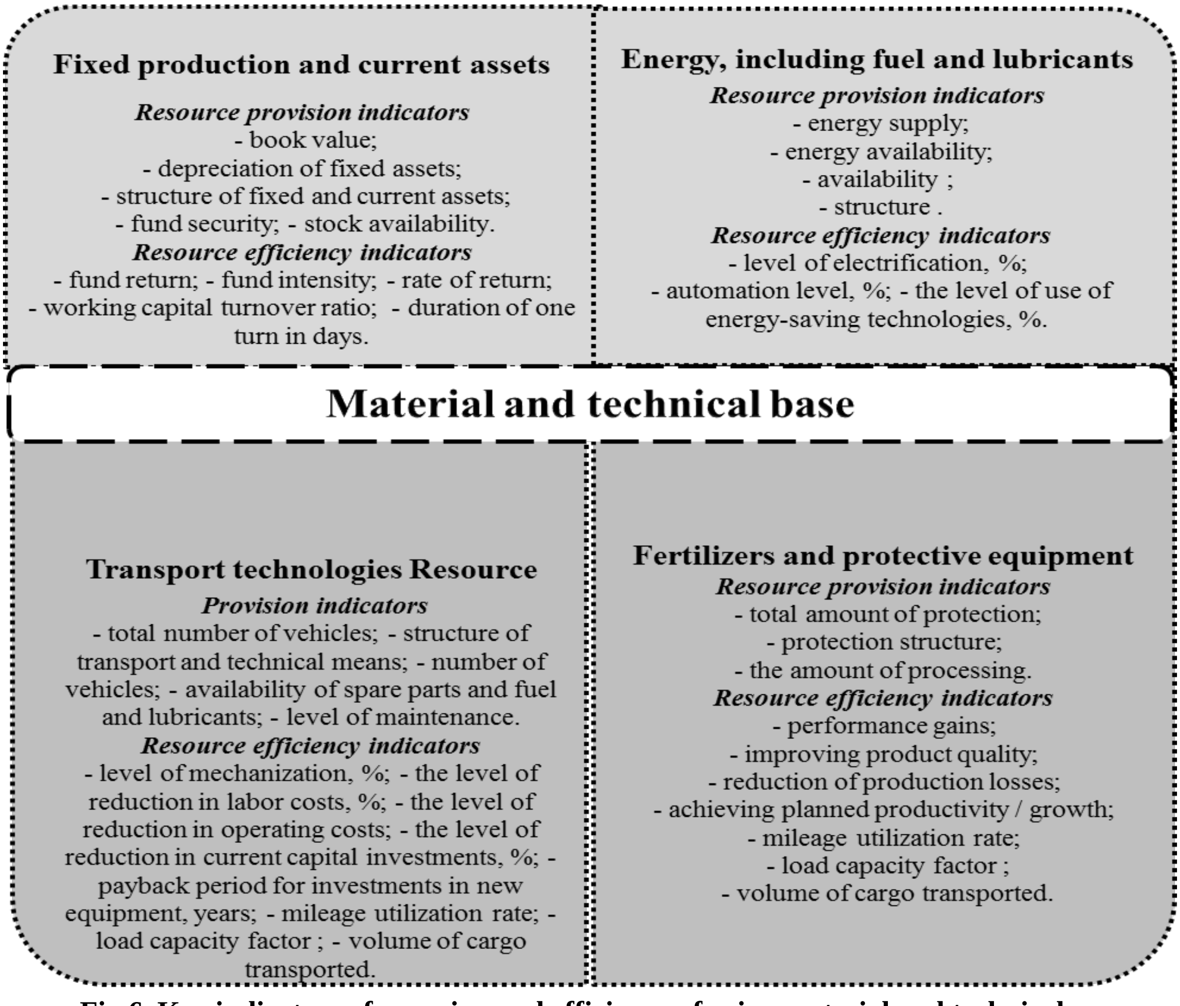

Fig.6. Key indicators of ensuring and efficiency of using material and technical resources

Often, economic resources are the main component of the production potential of enterprises that directly support the production process. The economic component is formed at the expense of material and non-material resources, they participate in production, finance, trade, information, etc. (fig. 7).

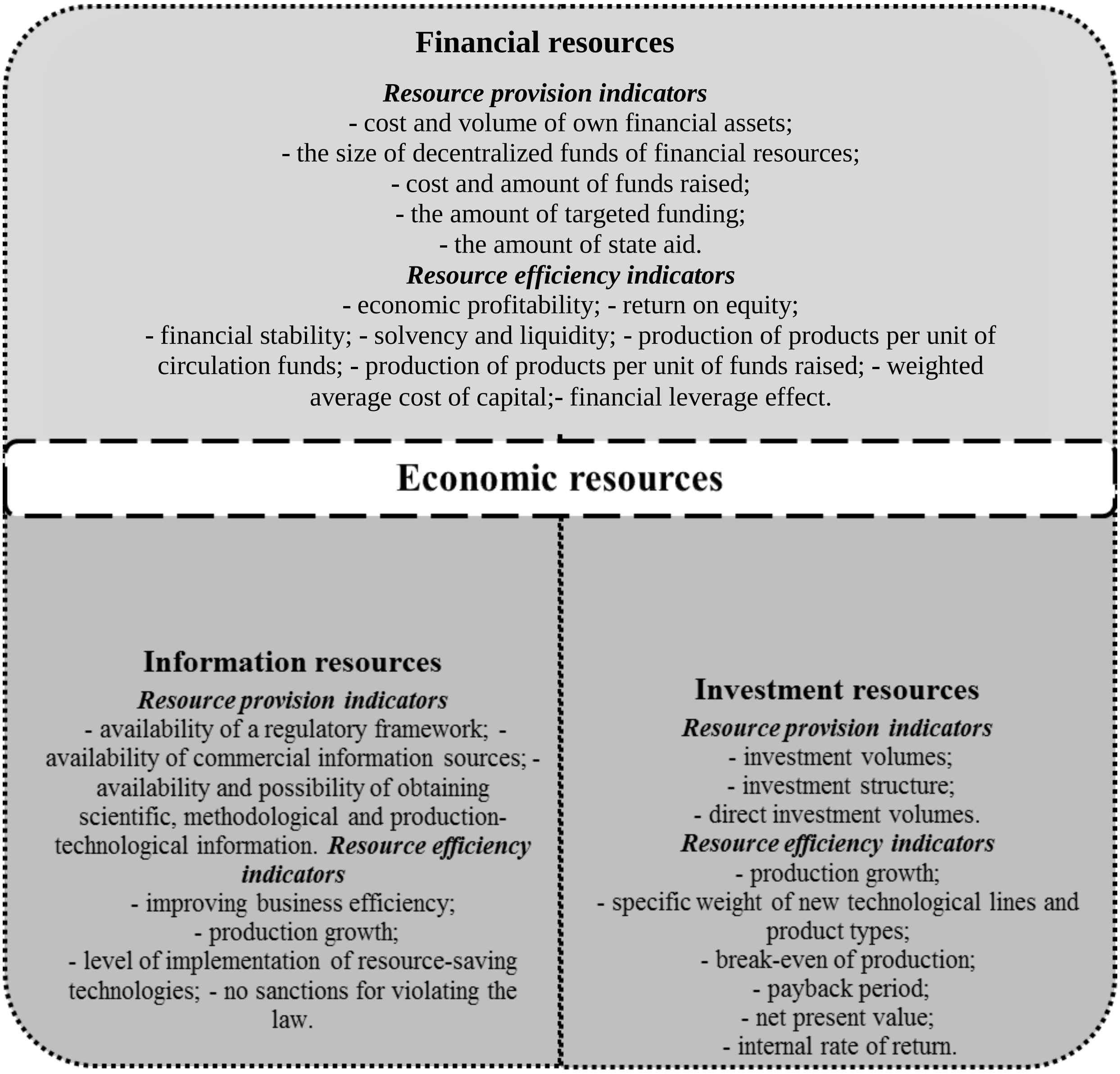

Fig.7. Key indicators of ensuring and efficiency of using economic resources

The social component is a set of labor resources, management of an enterprise or industry, and the ability of personnel and employees to effectively use available resources. The labor force includes permanent, seasonal, and temporary workers. Improving efficiency and efficiency directly depends on the level of qualification and effective use of labor resources. These resources should be constantly supplemented by highly qualified specialists, knowledge and entrepreneurial resources (fig.8).

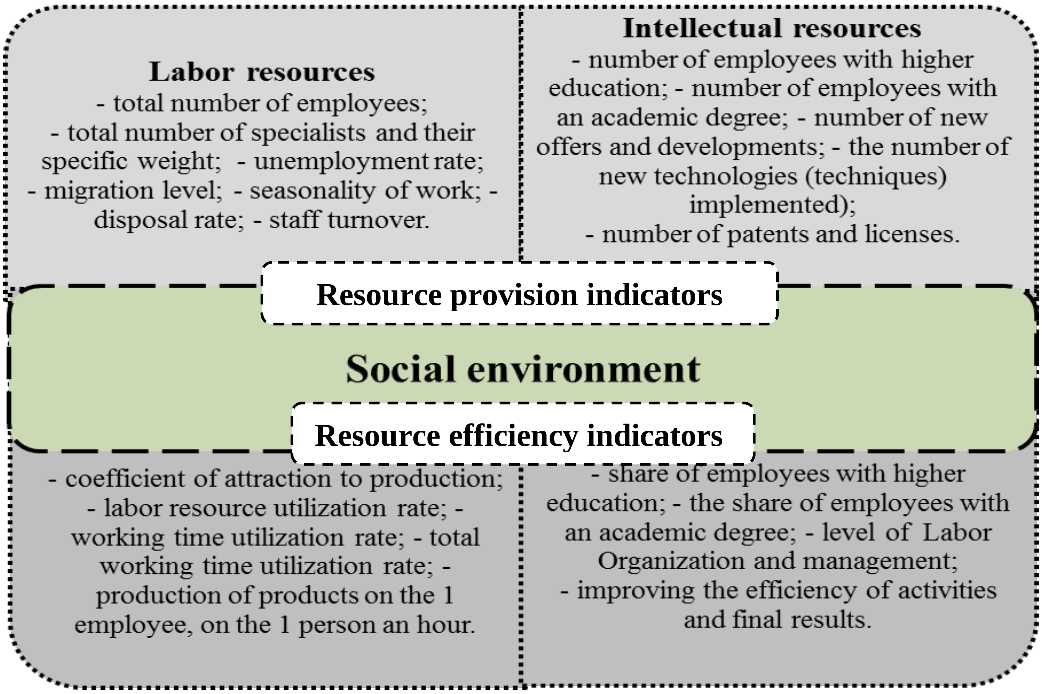

Fig.8. Key indicators of ensuring and efficiency of using social resources

The components of production potential are of a dual nature. Therefore, in terms of functional characteristics, they are uniform in quality, and the degree of influence on production and its results is unequal, since some of them largely determine the final result, while others have less influence. It is important to note that the importance of resources is not constant, but changes with the creation of new elements, such as innovation, knowledge, information, and other resources.

The study of the problem of efficient use of resources defines it as a process of consistent and comprehensive implementation of organizational economic and technical measures aimed at ensuring the economy and rational use of material and raw materials in all sectors of the national economy (fig. 9).

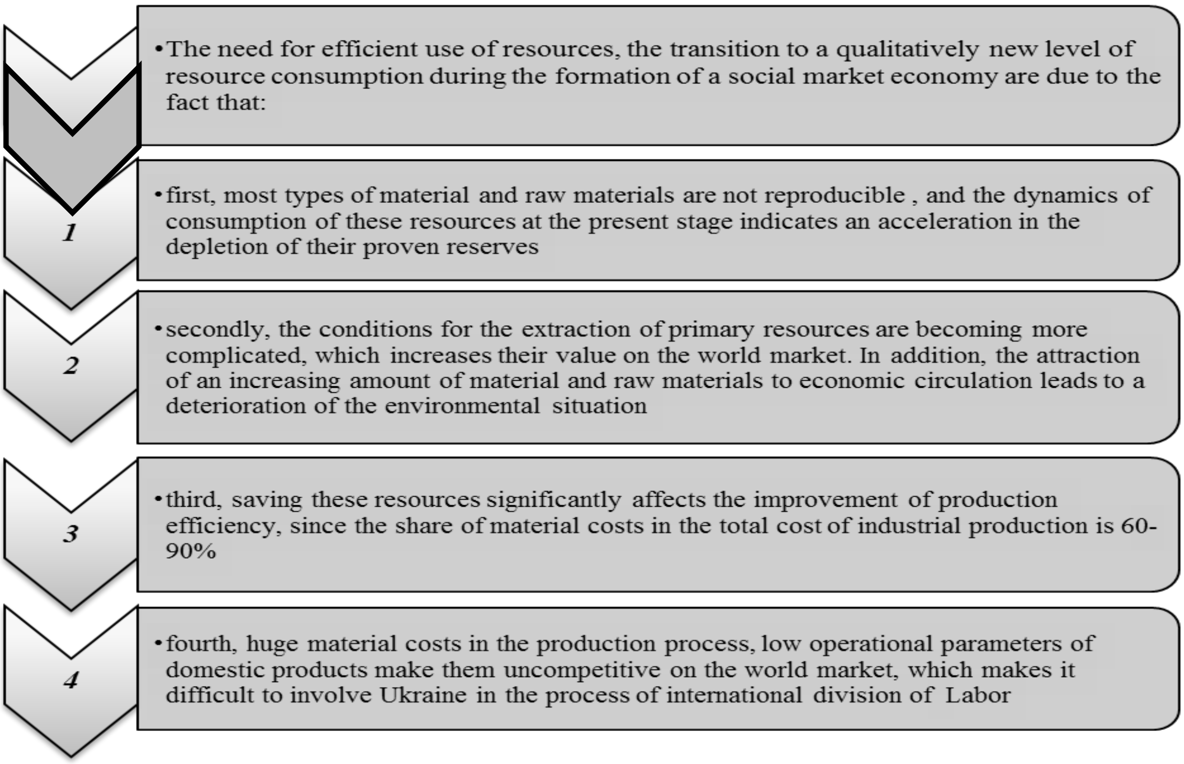

Fig.9. Necessary components for the effective use of enterprise resources in the formation of the social component of the economy

So, an objective condition for economic development in the process of transition to a socially oriented market economy is the creation and implementation of an economic mechanism for efficient use of resources , which should provide economic conditions under which rational resource consumption would be beneficial for all business entities, and the search and sale of reserves were stimulated.

The motivational basis for effective use of resources is the Coordination of individual, collective and state interests in the use of material and raw materials.

The dominance of state interests in resource consumption (in a command and administrative economy) does not ensure rational consumption of resources, since the interest of labor collectives and individual employees in this is insignificant; planning individual interests ignores the interests of the state, gravitating to predatory, wasteful use of resources. Taking this into account, a combination of individual, collective and state interests is optimal for rational consumption and efficient use of resources (fig. 10).

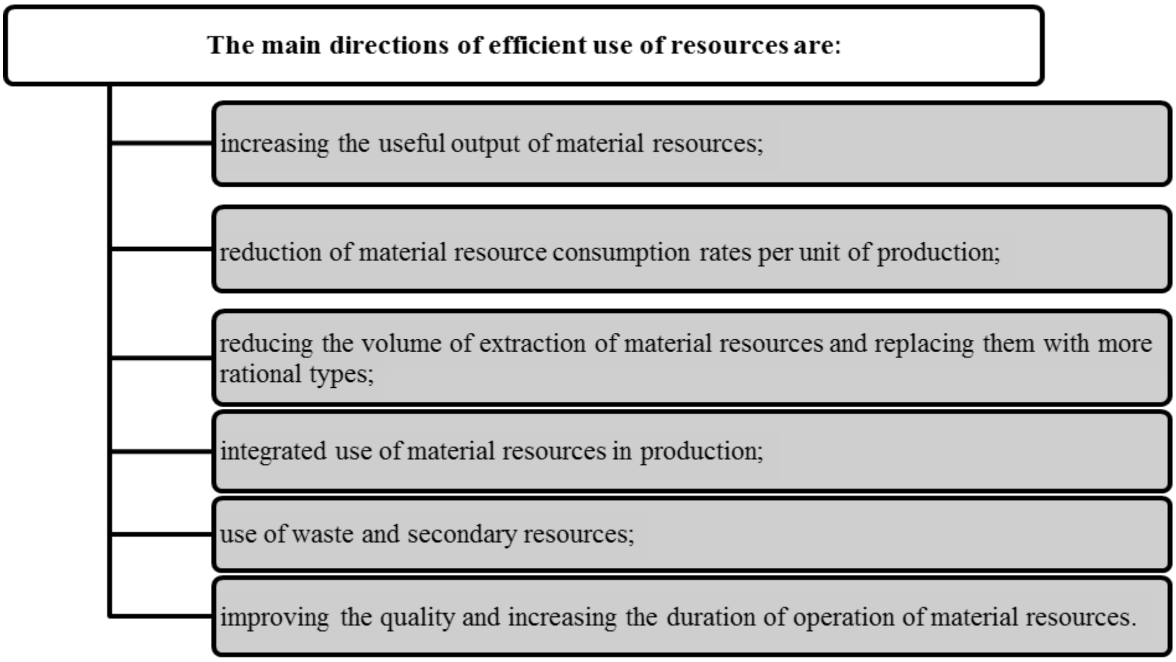

Fig.10. Main directions of efficient use of resources

Collective and individual economic interests can be satisfied only with an optimal combination of State, Collective and private ownership of the means of production, since the results of efficient use of resources directly affect the income of owners of the means of production. Therefore, a competitive non-state sector of the economy is an important condition for ensuring this.

The general methodological principle of measuring available reserves in a particular industry is to compare the actual level of resource use (purchase costs) with scientifically based norms and standards, statistical data for several years, or the achieved level of resource use and their costs at industry enterprises after the introduction of the latest achievements in Science, Technology, Technology, production organization. The most objective quantitative assessment for each type of level is a comparative analysis of potential and actually achieved indicators of the use of certain types of resources.

Generalizing indicators of the level of use of enterprise resources are indicators of production per unit of resource expenditure – fund return, labor productivity, and others. Rational use of resources occurs on the basis of the extensive and intensive nature of production, factors of efficiency growth are conditionally divided into organizational and technical (growth of the technical level of production-increase in material and fund return, labor productivity) and organizational and economic (improvement of management, labor organization, structural changes in the volume and assortment of production). The essence of efficient use of resources is shown in Figure 11.

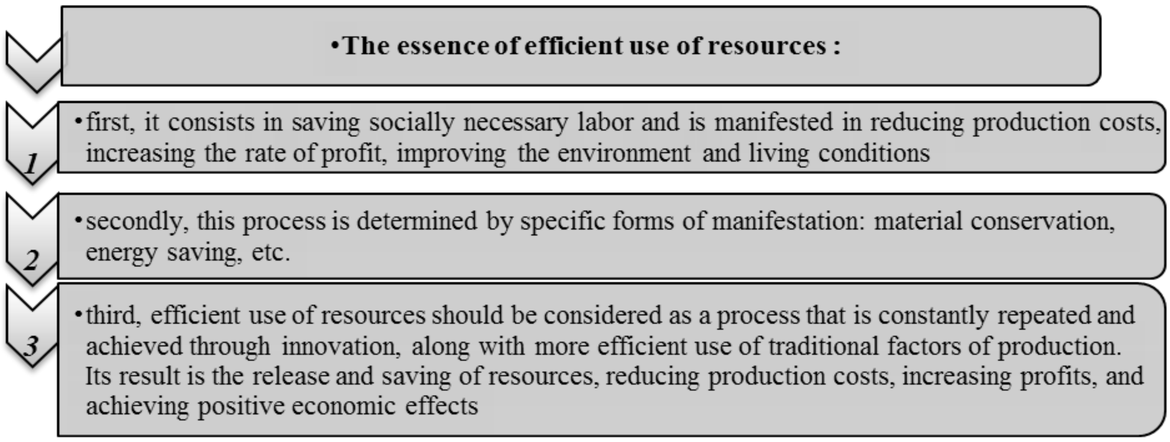

Fig. 11. The essence of efficient use of resources

Production efficiency is ensured by the appropriate economic mechanism (fig. 12).

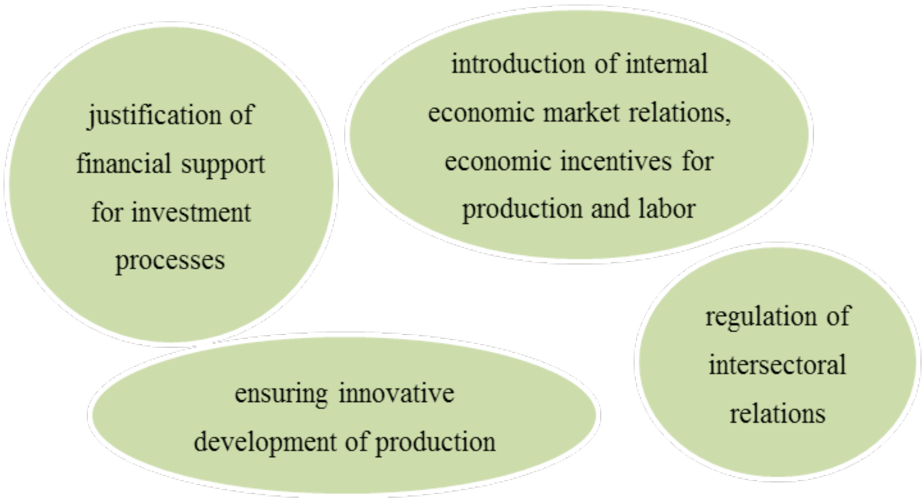

Fig. 12. Elements of an economic mechanism for efficient use of resources

Achieving the goal of efficient use of resources in the system of an economic mechanism for improving production efficiency is carried out through the use of appropriate methods: organizational, economic, technical and technological, administrative. The criterion for effective use of resources is the maximum level of payback of resources (material, land, labor).

The problem of saving and reducing the consumption of raw materials, materials, and energy should be constantly monitored by relevant specialists of enterprises with material-intensive and energy-intensive production. The urgent task of efficient use of resources at enterprises can be positively solved by introducing low-waste and waste-free technology, increasing the yield of useful products or energy per unit of material used, the use of cheap and low-grade raw materials, improving the quality of materials through primary processing, replacing imported raw materials and materials with material resources of domestic production, rationalizing the management of production stocks and the development of effective sources of supply.

The need to move to a qualitatively new level of resource consumption is an objective and indisputable condition for improving the efficiency of social production. Access to the rational use of production resources is possible only if effective measures are taken to use resources through the use of both market levers and state regulation of the economy. To achieve this goal, it is necessary to create an economic mechanism for efficient use of resources, which would be based on the use of market levers and on the principles of a unified state policy on this issue. The management of rational use of resources should be based on such conditions under which economical consumption of resources would be beneficial for all business entities, and the search and implementation of reserves for efficient use of resources would be comprehensively stimulated.

Creating an effective economic mechanism for the use of resources at the enterprise is an important task, since it should ensure high efficiency of resource consumption both at the stage of forming market relations and during the full functioning of market institutions. For an enterprise, there can be three strategic options for solving the problem of efficient use of resources (fig. 13).

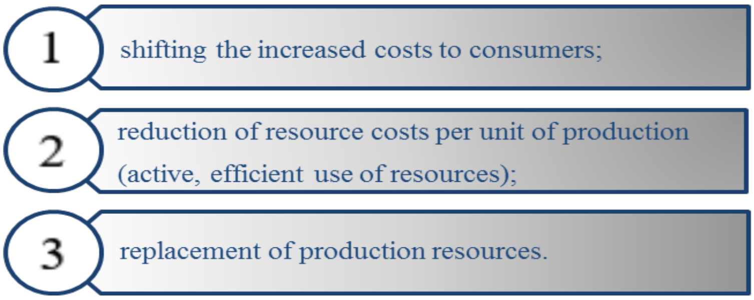

Fig. 13. Directions for solving the problem of efficient use of resources

A certain combination of solutions is also possible. The first option is probably the simplest. The company offers consumers of its products to pay more – for example, in proportion to the increase in the cost of purchasing resources. There is a risk associated with the fact that consumer demand at new prices may acquire unacceptable indicators for the enterprise. The level of risk decreases under the condition of market dominance of the enterprise, that is, when the enterprise is a pure monopoly or a very strong oligopolist. In other cases, such a solution to the problem of resource constraints can have critical consequences for the enterprise. This is a variant of the company's "passive" perception of external influence on the cost of production. To implement the second option, the company first needs to introduce innovations, develop the latest resource-saving production technologies and purchase modern equipment. In this case, the minimization of waste and the possibility of recycling products can also be important factors. This option is an option for actively searching for areas of competitive support for the level of production costs.

Conclusion. So, the concept and essence of reserves and directions of efficient use of resources were considered, the types of reserves and ways to solve the problem of efficient use of resources at the enterprise were determined. The reserves are unused but real opportunities to increase labor productivity, which can be quantified and realized over a certain period of time. And efficient use of resources is the process of consistent and comprehensive implementation of organizational economic and technical measures aimed at ensuring savings and rational use of material and raw materials in all sectors of the national economy. The problem of efficient use of resources is of considerable importance for achieving which it is necessary to create an economic mechanism, the need to move to a qualitatively new level of resource consumption is an objective and indisputable condition. One of the most important factors for increasing production efficiency is the rational use of resources, which is associated with all these factors. Separately, the theoretical foundations of the formation of enterprise resources and the efficiency of their use were considered, namely: the concept and composition of enterprise resources; methodological assessment of enterprise resources and indicators that characterize them; reserves and directions for the effective use of these reserves.

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УДК 338
JEL F 1

Чичуліна Ксенія Вікторівна, кандидат технічних наук, доцент. **Олешко Каріна Вікторівна,** студентка. Національний університет «Полтавська політехніка імені Юрія Кондратюка». **Аналіз поняття «ресурси» та механізму їх ефективного формування.** Розглянуто поняття й суть резервів і напрямів ефективного використання ресурсів, визначено види резервів та шляхи розв'язання проблеми ефективного використання ресурсів на підприємстві. Так, резерви – це невикористані, але реальні можливості підвищення продуктивності праці, які можуть бути виражені кількісно і реалізовані протягом певного часу. А ефективне використання ресурсів – процес послідовної й комплексної реалізації організаційно-економічних і технічних заходів, спрямованих на забезпечення економії та раціонального використання матеріально-сировинних ресурсів у всіх галузях народного господарства. Проблема ефективного використання ресурсів має чимале значення, для досягнення якої необхідно створити економічний механізм. Необхідність переходу до якісно нового рівня споживання ресурсів, є об'єктивною і незаперечною умовою. Одним з найважливіших чинників зростання ефективності виробництва є раціональне використання ресурсів, що пов'язано з усіма переліченими факторами. Окремо було розглянуто теоретичні основи формування ресурсів підприємства й ефективність їх використання, а саме: поняття та склад ресурсів підприємства; методичне оцінювання ресурсів підприємства й показники, що їх характеризують; резерви та напрями ефективного їх використання. Дослідження поглядів українських та зарубіжних вчених показало, що поняття «ресурси» є досить дискусійним, існує багато різноманітних поглядів та визначень. Вивчення економічної літератури засвідчило, що існує багато різних визначень і видів ресурсів залежно від виду діяльності підприємства, джерел формування чи напрямів використання. Охарактеризовано основні показники, які характеризують ресурси підприємства, виявлено резерви та напрями їх ефективного використання.

Ключові слова: ресурси, механізм, ефективне формування, резерви, підприємство.

UDC 338
JEL F 1

Chychulina Kseniia, PhD (Economics), Assoc. Professor. **Oleshko Karina**, student. National University "Yuri Kondratyuk Poltava Polytechnic". **Analysis of the Concept "Resources" and the Mechanism of Their Effective Formation.** The article examines the essence, types, meaning and composition of enterprise resources, conducts a theoretical study of the classification of resources and their significance for the enterprise. Such concepts as "enterprise resources" and the main indicators that characterize it are revealed. The study of the views of scientists has shown that the concept of "resources" is quite controversial. The study of literature has shown that there are many different definitions and types of resources, depending on the type of activity of the enterprise, sources of formation or directions of use. The main indicators that characterize the company's resources are described and reserves and directions for their effective use are identified.

Keywords: resources, mechanism, effective formation, reserves, company.

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JEL Z 32

FEATURES OF MANAGEMENT AND MODELING OF BUSINESS PROCESSES OF TOURIST ENTERPRISES

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Introduction. At this stage of economic development, business process management is a rather complex process, because the main purpose of management is to ensure a high level of business process implementation, which is directly reflected in the results of the enterprise. Based on this, there is a need to study such a definition as business process management. Management, as a specific phenomenon, arose with the advent of man, his conscious work. The whole concept of management was formed in the process of division of labor and became a separate independent species. In a broader sense, management is a complex socio-economic process that involves the targeted impact on objects, systems in order to maintain their sustainability or to transfer from one state to another due to changing circumstances.

Review of the recent research and publications sources. Theoretical and practical aspects of management and modeling of business processes of tourism enterprises have been studied by such well-known domestic and foreign scientists as: D.D. Gurova, G.I. Mikhailichenko, V.M. Mahovka, I.V. Chernysh and others.

Setting objectives. Control is a specific way of interacting between systems, in which one of the systems (the subject of control) influences the other (the object of control) in order to cause the appropriate reaction necessary to adapt to environmental conditions. The purpose of the article is to assess the features of management and modeling of business processes of tourism enterprises.

Basic material and results. In the early twentieth century, the French industrialist Henri Fayol, considered management as a necessity for the leader, said: "To manage – means to anticipate, study the future and establish a program of action; to organize – means to build a double organism of the enterprise: material and social; to dispose – means to put into operation the personnel of the enterprise; to coordinate – means to connect and unite, to combine all actions and skills; to control – means to watch that everything happened according to the established rules and the order ".

In the broadest sense, the concept of management is the influence of the subject on the object of management through a system of methods and techniques using a special technology to achieve this goal [1].

The basis of management is the focus on achieving the appropriate goal, identifying ways and means of its implementation, development of a decision-making program for a particular real situation (task), which allows you to control the interaction of all parts and elements of organizational and economic mechanism [2].

Thus, management is the impact on the team that is aimed at achieving the goal, and the necessary interrelated activities; organization, leverage and regulation of this process through feedback; people management, development, decision-making and implementation; the best allocation of resources and purposeful processing of information, etc. All these elements together, in inseparable connection and interaction are components of management.

The vast majority of scientific approaches claim that the definition of management follows the unity of statements, namely – management is a direct impact on the object. The impact is based on the implementation of a set of measures that ultimately change the state of the object of management. Analyzing the concepts of "management" and "business process", we can come to the logical statement that business process management is a process of applying specific techniques, methods, measures to purposefully influence the functioning of the business process, namely to ensure effective implementation of operations for obtaining a high level of economic benefits. This statement indicates that the focus is on the smooth operation of operations within business processes.

There is a specific of business process management of tourism enterprises that have its own characteristics and features. Issues of theory and methodology of formation of the mechanism of management of such a complex economic area - tourism, remain the subject of scientific research and scientific and practical discussions [3]. Emphasis is placed on the fact that the tourism industry is a non-productive sphere, the offer of a tourism enterprise consists of a comprehensive list of services that are pre-formed into a tourism product (Fig. 1).

The main business processes of a tourist enterprise are aimed at creating a tourist product. The process of its modeling and preparation for implementation requires a large number of resources (material, informational, human, financial). Designing a tourism product begins with monitoring the needs of consumers and finding ways to maximize their satisfaction.

Tourism product design covers a significant number of business processes and subprocesses within a single business process. The majority of business processes of a tourist enterprise focus on the search for providers of tourist services (accommodation establishments, transport companies) and the process of forming a tourist product (development of tours).

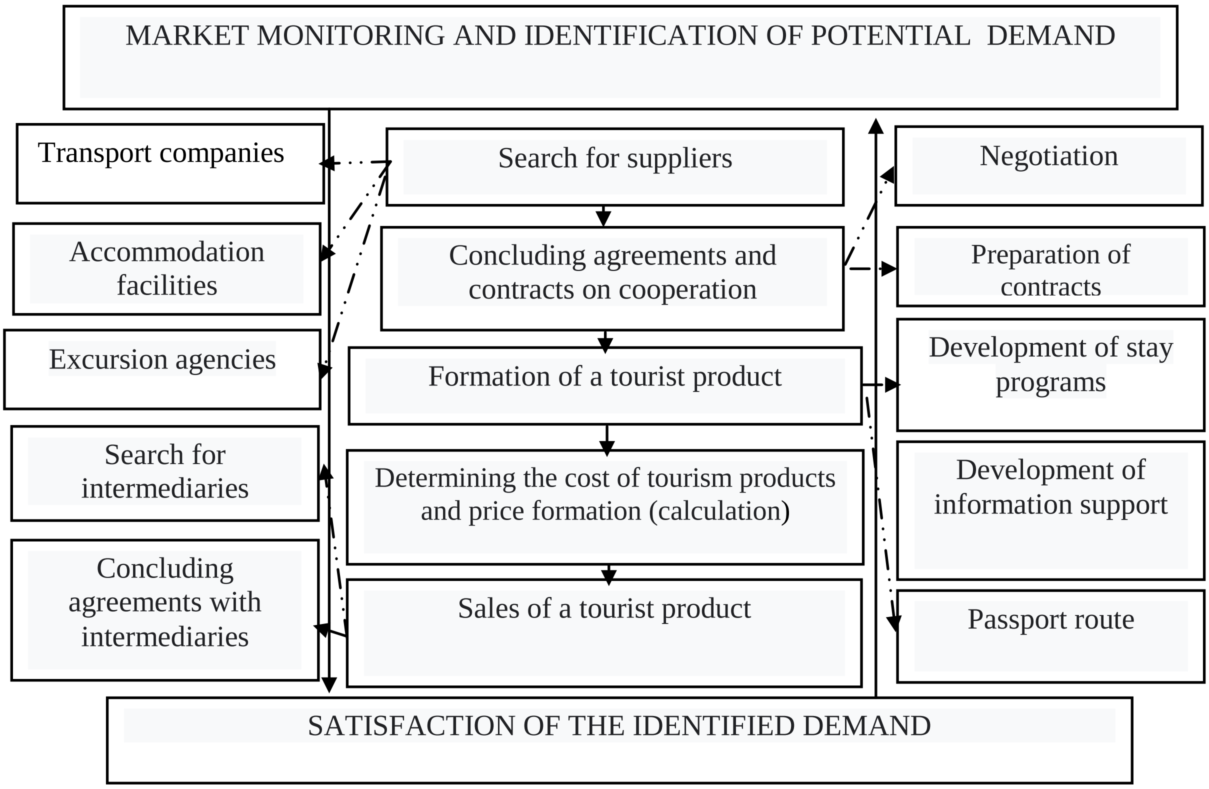

Fig. 1. Implementation of the main business processes of the tourist enterprise (compiled by the author on the basis of [4])

The business process, which is aimed at the sale of a tourist product, distinguishes tourist enterprises into tour operators and travel agents. The task of the tour operator is the formation of the travel product, and the travel agents' is its direct implementation under pre-concluded agreements.

Given the definition of the essence of the business process of a tourist enterprise and the separation of its properties, we can say that the management of business processes of a tourist enterprise is a managerial influence on the process of forming a tourist offer by implementing a set of techniques and measures to ensure effective and efficient business processes full satisfaction of tourist demand.

On the basis of certain features of realization of business processes of the tourist enterprises it is possible to form the list of the business processes inherent in the tourist enterprise, reflecting its features and distinguishing from set of the enterprises of other spheres.

In the table. 1. the list of the basic business processes of the tourist enterprise is described; just the most important ones are singled out. If necessary, the list of business processes can be changed, they can be removed and added depending on the specifics of the activity and size of the tourist enterprise.

Table 1

List of main business processes of a tourist enterprise [5]

Business processes		Subprocesses (actions, operations)
Strategy development	1.1. Analysis of the external environment	1.1.1. Research of the economic situation; 1.1.2. Monitoring of the regulatory framework; 1.1.3. Assessment of strengths and weaknesses
	1.2. Defining development priorities	1.2.1. Market segment selection; 1.2.2. Formation of strategic goals; 1.2.3. Defining the concept of development
Market analysis and consumer needs	2.1. Determining consumer needs	2.1.1. Consumer surveys; 2.1.2. Focus group analysis
	2.2. Market research	2.2.1. Monitoring the pricing policy in the market; 2.2.2. Monitoring the offer of tourist services 2.2.3. Monitoring the advantages of competitors
Formation of a tourist product	3.1. Concluding contracts with service providers	3.1.1. Negotiating the possibility of providing services; 3.1.2. Coordination of draft contracts for the supply of services
	3.2. Formation of tourist destinations	3.2.1. Development of tourist routes; 3.2.2. Development of excursion programs
	3.3.Defining a package of services	3.3.1. Development of the list of services; 3.3.2. Development of service classes
	3.4. Formation of the value of the tourist product	3.4.1. Determining the cost of the product; 3.4.2. Formation of the final cost of the tourist product; 3.4.3. Planning discounts and promotional offers
HR	4.1. Recruitment	4.1.1. Defining staff qualification requirements; 4.1.2. Identifying sources of recruitment
	4.2. Personnel training	4.2.1. Staff training; 4.2.2. Organization of trainings, seminars
	4.3. Staff development	4.3.1. Promotion; 4.3.2. Staff rotation
Management financial information	5.1. Management financial resources	5.1.1. Cost planning; 5.1.2. Profit planning; 5.1.3. Financial risk management
	5.2. Management accounting	5.2.1. Providing external and internal financial information; 5.2.2. Implementation of financial and accounting transactions; 5.2.3. Formation of financial statements
Provision of resources	6.1.Resource planning	6.1.1. Search for possible suppliers; 6.1.2. Estimation of cost of necessary resources; 6.1.3. Concluding agreements with travel service providers
	6.2. Resource management	6.2.1. Allocation of resources; 6.2.2. Resource optimization
Monitoring the effectiveness of activities	7.1. Conducting an internal audit	7.1.1. Identifying the causes of deviations from the established optimal parameters; 7.1.2. Development of measures to eliminate deviations
	7.2. Quality management of tourist services	7.2.1. Evaluation of the quality of the developed tours and the quality of tourist service; 7.2.2. Development of quality improvement measures

It is advisable to divide and refine business processes according to the type of activity of tourism enterprises. That is why the business processes described in table. 1. (except for Unit 3), are similar for both tour operators and travel agents, because it is the process of formation and sale of travel products that distinguishes operators from agents. Consider the main differences in the formation of a tourist product for travel agents, shown in Fig. 2.

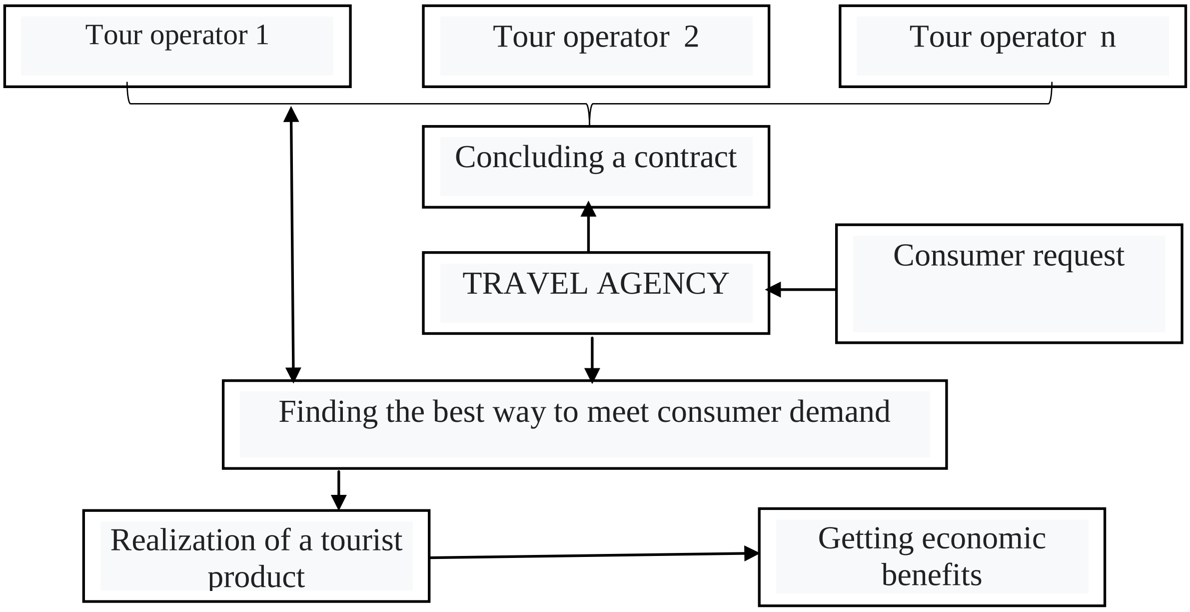

Fig. 2. Implementation of the main business process of travel agencies (compiled by the author on the basis of [6])

Thus, from figure 2 you can see that tour operators are suppliers of products for travel agents. Travel agents, in turn, act as an intermediary between the tour operator and the consumer of services. In this case, the travel agency is a full-fledged enterprise, consisting of an interdependent set of business processes that ensure the smooth operation of this type of enterprise.

Modern theory and practice shows that much attention is paid to the processes and methods (description) of the business process as part of enterprise management technology.

Business process modeling is an important component of business process reengineering projects and the creation of large-scale software systems. The main goals of business process modeling are to transform the model "as is" (as is) into a model "as to be" (as it should be), understanding how the company acts (should act) to achieve its goals.

Several methods are used for business process modeling, the basis of which is a structural and objectively oriented approach to modeling [7]. Consider several methods of modeling business processes that are most suitable for the specifics of the tourist enterprise. The SADT (Structured Analysis and Design Technique) method, developed by D. Ross, is considered a classic method of process approach to management [8].

The main principle of the method is to structure the activities of the enterprise taking into account its business processes and without taking into account the organizational structure. The SADT method is a set of parameters designed to describe the functional model of a business process, in the description of the main operations and their relationship.

According to this principle, the business model is divided into four main levels: Level 1 reflects the interaction of the enterprise with the processes of the external environment; Level 2 describes the main activities of the enterprise and their relationship; Level 3 details business processes, dividing them into elementary operations, grouped by certain characteristics; Level 4 describes the algorithms for performing elementary functions.

The result of applying the SADT method is a model consisting of a list of diagrams represented by individual blocks and text fragments that have interdependent references.

The expediency of using such a method to build a business model of a tourist enterprise is manifested in the possibility of detailing individual business functions, as this principle ensures the orderliness of individual operations and prevents their chaos.

At this stage, there is a tendency to integrate various methods of business process modeling, one of which is the method ARIS (Architecture of Integrated Information System). ARIS is a methodology, as well as a whole family of software products built on it, developed by IDS Scheer AG (Germany) for structured description, analysis and improvement of business processes, preparation for implementation of complex information systems and controlling business processes. ARIS software products occupy a leading position in the world market in the class of business process modeling and analysis tools.

The ARIS system is a set of tools for analysis and modeling of the enterprise. Its methodological basis is a set of different modeling methods that reflect different aspects of the studied system [8].

The process of modeling business processes covers all aspects of the enterprise, as each process is considered separately, and then creates an integrated model that reflects the relationships between all business processes.

Like the previous one, the ARIS method consists of a set of diagrams, the elements of which are certain blocks that describe specific objects. Each ARIS object has attributes that allow it to detail individual processes. The list of objects is given in table. 2.

Table 2

List of ARIS objects [9]

№	Object name	Description (purpose)
1	Function	Serves to describe the functions (works, procedures) performed by departments / personnel of the enterprise
2	Event	Is a description of real events that affect the performance of functions
3	Organizational unit	Characterizes the individual organizational units of the enterprise (management, department)
4	Document	Displays real media
5	Application system	Displays a real system that supports and ensures the performance of functions
6	Information cluster	Describes the data (set of entities and relationships between them) used to set the parameters of the model
7	Communication	Describes the type of relationship between objects
8	Logical operator	An operator of one of three types ("I", "OR", one that excludes "OR"), which determines the relationship between events and functions within the process, allows you to describe the branching of the process

Thus, this method allows you to create a business model of the enterprise, which connects the links, which in the usual description are unrelated. The application of the above methods of business process modeling in the activities of tourism enterprises will provide the following benefits:

– clear division of separate business processes into subprocesses with establishment of interrelation between them;
– orderliness of business processes of the tourist enterprise;
– construction of process-oriented activity of the enterprise;
– identification of weak links in the business process and their elimination;
– establishing a logical sequence between operations (functions, procedures, actions) of the business process.

The distribution of responsibilities between executors and the coherence of their performance are important for the efficiency of the business process in its modeling, as the end result depends on the quality of performance of duties by individual executors. This division of responsibilities can be called structuring. The process of structuring business processes is a decomposition or detailing, in the presentation of the elements of the initial level of the model in the following stages by describing their characteristics [10].

One of the main factors in ensuring the effectiveness of such structuring is the distribution of responsibilities between the executors of the process. Each type of work within a particular business process is accompanied by a certain level of complexity and the degree of performance of one type of work directly affects another, because all work within the business process is interdependent.

To determine the advantages and disadvantages of the business process, a business model is created, which is a formalized (graphical, tabular, textual, symbolic) description of the business process, reflecting the actual or possible end result.

To analyze the business process in practice, complex models are used, which are built on the basis of specialized software. Based on this, it is advisable to make an approach that will describe and analyze the business processes of management staff, which will greatly facilitate the identification and elimination of shortcomings in the implementation of individual business processes (Fig. 3).

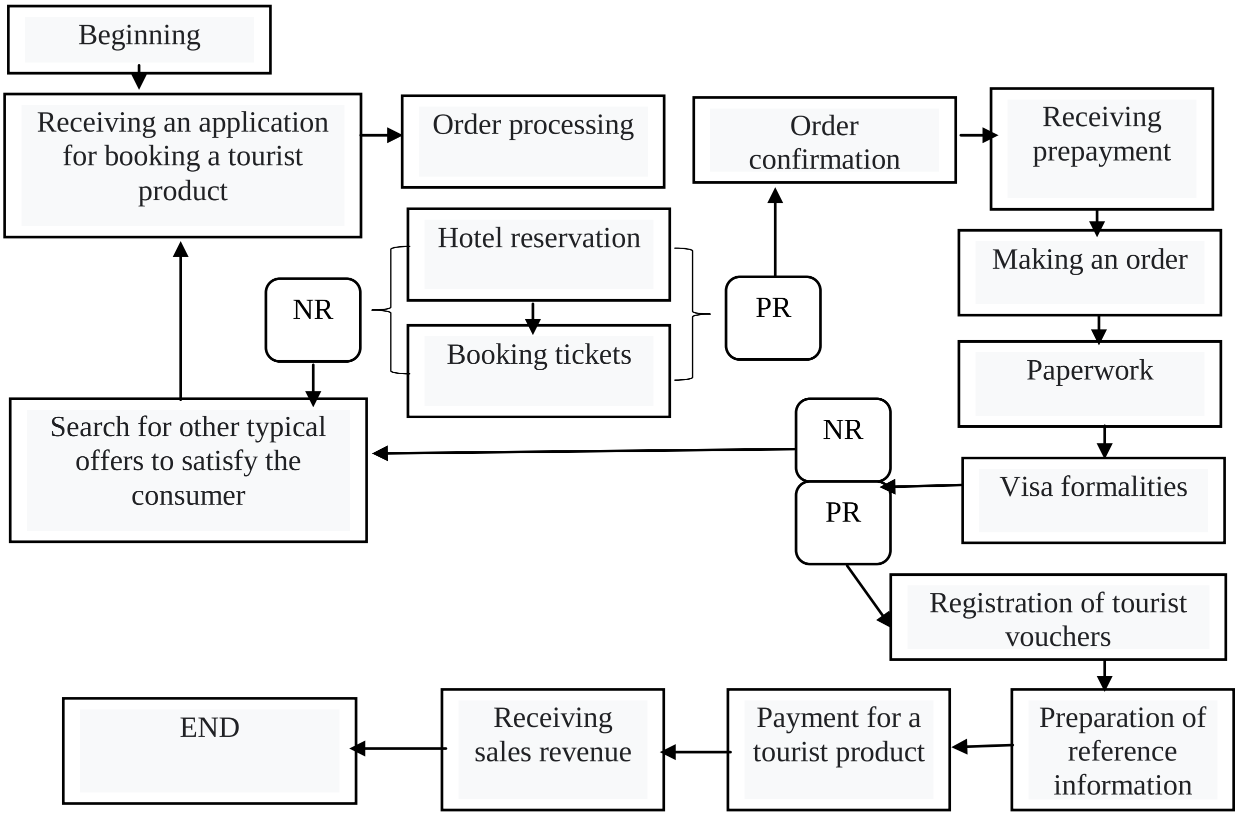

Fig. 3. Structuring of the business process "Realization of a tourist product" (compiled by the author on the basis of [9])

We offer a sequence of business process descriptions:

– setting initial parameters;

– detailing of business processes. Individual transactions, in turn, are a description of the list of transactions that, in general, form a separate business process. This description allows you to determine the necessary resources for the implementation of the business process, which further allows you to minimize excess costs;

– identification of potential shortcomings and ways to solve them (search for alternatives). At this stage, there is a process of identifying and predicting a negative result, the imperfection of the implementation of individual subprocesses, which in turn has an impact on the final indicators;

– structuring. It is based on the construction of a graphic image, because this way of presenting information is easy to perceive;

– analysis of each individual operation and identification of ancillary or priority actions. Helps optimize the business process by eliminating unnecessary procedures;

– formation of the expected end result. Establishing the required level of effect, which will stimulate the search for appropriate ways to implement operations within a particular business process.

Such a description of the business process allows you to carefully consider a set of interdependent subprocesses and identify and prevent the possibility of a negative outcome of a particular subprocess, which will affect the quality and duration of the business process as a whole.

Conclusions. Thus, the described methods of structuring business processes allow analyzing and eliminating negative consequences, contributing to the creation of the necessary prerequisites for the rational and effective functioning of the business processes of a tourist enterprise.

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Бакало Надія Віталіївна, кандидат економічних наук, доцент. **Гришко Віктор Володимирович,** кандидат економічних наук, доцент. Національний університет «Полтавська політехніка імені Юрія Кондратюка». **Сущенко Олена Анатоліївна**, доктор економічних наук, професор. Харківський національний економічний університет імені Семена Кузнеця. **Особливості управління та моделювання бізнес-процесів туристичних підприємств.** Розглянуто головні бізнес-процеси туристичного підприємства, спрямовані на створення туристичного продукту. Проаналізовано поняття «управління» та «бізнес-процес». З’ясовано, як відбувається реалізація основних бізнес-процесів туристичного підприємства. Визначено сутність бізнес-процесу туристичного підприємства й виокремлено його властивості. Вивчено метод SADT (Structured Analysis and Design Technique), що є сукупністю параметрів, призначених для опису функціональної моделі бізнес-процесу, тобто опису основних операцій та їх взаємозв’язку. Доведено доцільність застосування такого методу для побудови бізнес-моделі туристичного підприємства, яка виявляється у можливості деталізації окремих бізнес-функцій, оскільки цей принцип забезпечує впорядкованість виконання окремих операцій і попереджує їх хаотичність.

Сформульовано перелік бізнес-процесів, притаманних туристичному підприємству, що відображають його особливості й вирізняють із сукупності підприємств інших сфер. Визначено, що переважна частина бізнес-процесів туристичного підприємства зосереджується на пошуку постачальників туристичних послуг (заклади розміщення, транспортні компанії) та процеси формування туристичного продукту (розроблення турів). Розглянуто й сформовано бізнес-модель, яку поділили на чотири основні рівні. Для моделювання бізнес-процесів визначено кілька методів, основою котрих є структурний та об’єктивно орієнтований підхід до моделювання. Важливого значення для забезпечення ефективності бізнес-процесу при його моделюванні набуває розподіл обов’язків між виконавцями й злагодженість їх реалізації, оскільки кінцевий результат залежить від якості виконання обов’язків окремими виконавцями. Структуровано бізнес-процеси реалізації туристичного продукту.

Ключові слова: бізнес-процеси, туристичний продукт, бізнес-модель підприємства, туристичні підприємства, турагенти.

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Features of Management and Modeling of Business Processes of Tourist Enterprises. The main business processes of a tourist enterprise aimed at creating a tourist product are considered. It is defined the essence of the business process of a tourist enterprise and highlighted its properties. The business model is considered and formed, which is divided into four main levels. Several methods have been identified for business process modeling, based on a structured and objectively oriented approach to modeling. The business processes of tourist product realization are structured.

Key words: business processes, tourist product, business model of enterprise, tourist enterprises, travel agents.

NATURAL RESOURCE ECONOMICS AND ENVIRONMENTAL SAFETY

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SYSTEMATIZATION AND FORMALIZATION OF PASSIVE MONITORING DATA IN ACCORDANCE WITH THE COMPONENT-FUNCTIONAL STATE OF HEAT SUPPLY SYSTEMS

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Introduction. The current mission of the leadership of Ukraine, according to the Cabinet of Ministers of Ukraine to discuss "Vectors of Economic Development 2030", is to create opportunities to realize the existing geographical, resource and human potential of the country to ensure prosperity, security and freedoms of every citizen of Ukraine through innovative economic growth [1]. At the same time, one of Ukraine's strategies is to stimulate the development of innovations and modernization of economic sectors to ensure their competitiveness. Also, according to the economic vision: human security, healthy nation, economic strategy, reform of the social sphere, energy, environmental protection, innovative economy and ensuring rapid and sustainable development of Ukraine in three stages, years:

1) Increasing competitiveness (2021-2022, 2022-2025),
2) Innovative growth (2026-2040),
3) Sustainable development (2041-2050).

According to the vision of the development of the sectoral sub-direction "Environment", "Public administration, monitoring and control", the matrix of economic recovery and development consists of: public administration, monitoring and control; rational use of nature; implementation of the principles of sustainable development and gradual transition to a "green economy" [1]. Therefore, the main task of today is the introduction of innovative technologies to improve and reduce the losses of the economy of nature management production activities in rich technological industries. To improve these processes, it is functional to use eco-management. The relevance of the proposed topic is a local solution through the analysis of the general environmental situation, technical condition of the system in the process of modernization or design, technology of reagent-free water treatment (use of electromagnetic fields) at thermal power facilities of rich industries and its environmental and economic viability and investment attractiveness.

Review of the recent research and methodology. Economists, researchers, scientists, and practitioners constantly pay a lot of attention to the study of resource availability and their effective use. in particular, they are widely covered in many scientific works, manuals, and textbooks of their best practices [2-4]. It is possible to draw theoretical and practical conclusions based on the results of economic activity of industrial production through a comprehensive economic analysis and taking into account the relationship with the environment. Due to which the analysis of environmental activities is carried out in two directions:

- Determining the scale and results of environmental activities;
- Determining its impact on the formation and evaluation of performance indicators [2-6]. The relevance of today's socio-economic needs is determined in publications [7].

The analysis of the work leads to the conclusion that the publications confirm the compromise between economic development and environmental security. The authors carry out an ecological and economic analysis of the causal relationships that exist in socio-economic systems and are characterized by "interaction - change - consequences". Only the rational use of nature determines the ecological and economic balanced development of socio-economic systems. Studies of trial industrial nature management are related to the anthropological transformation of the biosphere [7-11]. Ostap Semerak: "Sustainable development should become a leading criterion of Ukraine's energy policy" Ukraine is ready to be an active participant in the international fight against climate change and recognizes the importance of the national economy's transition to a "green" model of development based on sustainable production and consumption and depletion of natural resources and environmental degradation. In particular, it will create new jobs in the field of environmental protection, promote energy efficiency and energy security, as well as allow Ukraine to access various financial resources to stimulate low-carbon development at the national level, "said Ostap Semerak, emphasizing that making strategic decisions in in the field of energy, Ukraine will take into account primarily the issues of national energy security and the possibility of using the latest achievements and developments in the field of "clean energy" [12].

On the basis of the presented literature review it is possible to form the concept of stable, ecologically and economically safe nature uses and ways of its practical realization. So, nowadays, at modernization of technological processes it is necessary to be guided by principles concerning forecasting of industrial nature management:

The methodological principle of the forecast is the system-generalizing level of research of industrial objects. Forecasting of environmental activities for thermal power facilities (TEO) is based on the following principles of integrated management of technological processes, our research is based on the following principles: system, scientific validity, optimally equivalent relationships between the components of technological processes; on the principle of adequacy (vector orientation of technological processes), which causes stable trends of change (interaction) of real processes; the principle of purposefulness, which determines the nature of action, by creating such a logical chain of methodological system of research, according to which there are interactions, when determining the overall purpose of the system and subordinate to this goal the activities of all components of subsystems. Due to this, this system is considered as a large system in which stability and sustainable development of the system is ensured, as a factor of ecological and economic balanced development of socio-economic systems (components of conceptual development). However, the works propose a thesis that states that the biosphere is the material basis of nature and therefore, modernized technologies should be not only environmentally friendly, but also biosphere-improving, as the basic principle of rationalization of nature. Other scientists who substantiate the use of "green" technologies to obtain a biosphere-enhancing effect. The authors define the "green" economy as a branch of the national economy that reduces environmental risks and environmental degradation. Based on the results of the literature review, it can be concluded that the central issues of nature management, which need to be clarified, should be considered the formalization of parameters that allow to clarify the compromise between economic development and environmental security. It is the economic and ecological analysis of the components of technological processes allows to establish the limiting factors of development in the system (action - state - improvement) and to identify certain patterns (trends) in order to overcome them.

Task statement. The purpose of the systematization and formalization of the data of the results of passive monitoring of the systems of the thermal power object under the conditions of action of electromagnetic fields on them. The object of research is the structure of functioning of heat supply systems as a factor of integrated management in the process of industrial nature management.

Subject of research: coherent connections and multifunctional interactions between system-forming units of technogenic-conditioned material flows of a thermal power object. The methodological basis of the study consisted of general scientific logical statistical, comparative research of scientific professional sources, economic analysis and more.

Basic material and results. Proposals that have tried to implement or are currently implementing projects in the field of air quality monitoring, in various industries have faced a number of problems that do not allow the use of their data in decision-making. This is hindered by:

• Insufficient ramifications of monitoring;

• Inconsistency of measurement methodology with practice;

• Unsystematic information on the collection of monitoring information (sometimes, the inability to compare historical monitoring periods due to the different frequency of data collected).

However, it should be noted that these shortcomings are not the result of insufficient efforts, but rather a confirmation of the thesis that air monitoring is a resource-intensive, systematic and long process that should be carried out professionally. And such attention to this issue, as well as the efforts they make to answer the question of air quality, should be taken as a request, methods of indication of passive monitoring are used in the natural environment under conditions of constant interaction with environmental factors. From the methodological point of view, passive condition monitoring for heat supply systems, thermal power facilities (TEO) using reagent-free water treatment in electromagnetic fields to increase the efficiency of innovative methods, we have introduced as a form of impact (anthropogenic) monitoring.

The hierarchical structure of passive monitoring, against the background of long-term analysis and systematization of the dynamics of transformations of the constituent material flows of feasibility studies, allows to identify trends and characterize the process of self-organization into complex heterogeneous inorganic systems due to electromagnetic fields and thermodynamic mechanism of their transformation. In previous studies [13] it was found that magnetized material flows are characterized by deceptive mass or energy exchange. And further research has shown the effectiveness of the mechanism of water treatment using electromagnetic fields in the heat supply systems of the feasibility study.

The passive monitoring system is characterized as an integrated system that is subordinated to solve the problems of eco-management of the feasibility study. The main components of the system of passive monitoring of heat supply systems are as follows: two-level system of information control, graphic conceptual models regarding the component and functional state of heat supply, as graphic signs of the preface of further scientific and applied research; engineering-technological, organizational-managerial aspects of reagent-free water treatment in electromagnetic fields of the feasibility study system.

Creation of a two-level control system for assessing the state of feasibility studies in the process of electromagnetic fields.

The main tactical pressure of the development of system indicators in the premises of equivalence between the formation of magnetized water in the device "Ilios-M" and directly with material flows, systems of thermal power facilities (parameters of magnetized water and their specific indicators in heating systems and artificial force of their heat-generating ability).

In addition, when monitoring the state of material flows, the principle of equivalence of interhydrochemical, electrophysical and thermophysical potentials should also be maintained (the trend of changing the concentration of components of material flows of different operating conditions of feasibility study systems).

In tab. 1 the indicator system of control of an estimation of a condition of material streams of systems of the feasibility study under various conditions of their operation is presented.

The table presents a complete description of the assessment of the state of material flows, in the process of their self-organization under the conditions of EMF and different operating conditions of the feasibility study systems. If you compare the quantitative values of the state of material flows with the corresponding gradations of tap water [16, 17], then, it can be stated that there is a self-organization of simple inorganic systems into complex inorganic systems.

System transformation (self-organization) is associated with the interaction of micro particles of constituent flows under the influence of EMF and the formation of new complexes due to structural changes in the component relationships in the material flows of feasibility studies in the process of organizing the process.

Table 1

Indicator information control system for assessing the condition of material systems of thermal power facilities under the conditions of electromagnetic fields

p / p	Control values-indications for hydro chemical, electro physical, thermophysical potentials and their specific indicators	Operation of systems HPO	
		opt. conditions	max. admissible (critical)
1.	Specific indicators (from the parameters of electromagnetic field oscillations and magnetic field induction)	0,45 0,56	0,8 0,96
2.	The total concentration of the components of material flows in the feasibility study system by specific indicators	1,1	0,8
3.	The pH value as a characteristic of the acid-base properties of material flows by specific indicators	1,2	1,7
4.	Values of OKV potential as a characteristic of physicochemical properties of material flows by specific indicators	1,5	1,1
5.	The magnitude of the specific conductivity as a characteristic of the thermophysical properties of material flows	1,6	1,4
6.	The value of the additive function of material flows, which have a man-made nature of development	0,54	0,22
7.	The magnitude of the specific heat of material flows that characterize the heat balance of feasibility studies	3,9	3,75
8.	The value of specific indicators of potentially possible endorrhics in the functional system of feasibility study	0,12	0,48
9.	The value of the saprobity index (as a specific indicator) characteristics of the content of biological elements in material flows	1,7	1,01
10.	The value is the potential of trends in changes in hydro chemical parameters in material flows by equations Copt ≤ 0.5 Cmax permissible	0,5	0,6
11.	The magnitude of the potential trends in electro physical parameters in material flows (technological norm-within the unit)	1,0	0,95
12.	The value is the potential of trends in changes in thermophysical parameters in% and corresponds to the ratio $ч_д$ / Qtab	90,5	90,01

Note:

1) indicators (1…11) have the dimensionality of the characteristics of quantitative gradations in conventional units, and 12 indicators – in %.

2) tap water was used as a control (according to items 1…5);

3) the specific indicator of the saprobity index was determined taking into account the saprobity index, which reflects the quality class of natural waters (tap water).

Conclusion. Thus, the results of the implementation of the concept and areas of efficiency are analyzed and presented.

On the basis of the established scientific laws of properties of technogenic-caused material streams preconditions are created:

1) determination of the cause and consequences of self-organization of heat supply systems of heat and power facilities;

2) determination of eco-ternary (energy and energy costs) indicators in our planned research methodology;

3) determining the limits of economic optimal gradations.

The scientific and methodological concept of passive monitoring for the assessment of the state of heat supply systems, under the conditions of initial action, on the material flows in them of electromagnetic fields has been created. An effective form of water treatment in electromagnetic fields is the man-made nature of material flows due to the electromagnetic dissociation of their micro particles and the formation of active complexes (due to the interaction between them).

The result of passive monitoring - systematization and formalization of its data should be carried out taking into account three aspects: engineering and technological, engineering and microbiological and organizational and management decisions. It is shown that the system of passive monitoring is a mandatory subordinate component of eco-management in the industrial sphere - thermal power facilities.

These used prerequisites for implementation, high efficiency of technological processes – 98 %, due to the preservation of natural resources (energy resources by 20%, water resources by 5 %), the estimates of the state of technology [13] belong to the main categories of nature economics due to provide tactical intentions to create a mechanism for implementing environmental measures with the condition of a permanent basis for the use of systematization and formalization of passive monitoring data, respectively, the competent and functional state of heat supply systems [14, 15].

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JEL Q26

Журавська Наталія Євгенівна, кандидат технічних наук, доцент. **Ліхацький Валерій Володимирович,** студент. Київський національний університет будівництва і архітектури. **Систематизація та формалізація даних пасивного моніторингу відповідно до компонентно-функціонального стану систем теплопостачання.** Оцінено стан систем водяного та гарячого

теплопостачання теплоенергетичних об’єктів для інноваційного та конструктивного використання теплової енергії при ефективному застосуванні на усіх ділянках цих систем: генерації, нагріву води або утворення пари, транспортування до споживача, а також при використанні її споживачами багатьох галузей, у тому числі житлово-комунального комплексу та будівельної галузі. Створена науково-методологічну концепцію здійснення пасивного моніторингу для оцінювання стану систем теплопостачання за умов вихідної дії на матеріальні потоки в них електромагнітних полів. З’ясовано, що в результаті пасивного моніторингу систематизація й формалізація його даних повинна здійснюватися з урахуванням трьох аспектів: інженерно-технологічних, інженерно-мікробіологічних та організаційно-управлінських рішень. Показано, що система пасивного моніторингу є обов’язковою підпорядкованою складовою екоменеджменту у промисловій сфері – теплоенергетичних об’єктів систем водяного й парового теплопостачання інноваційного напряму. Проведено критичний смисловий аналіз поглядів українських та зарубіжних вчених у сфері економіко-екологічних та нормативно-правових аспектів природокористування, формування біосфери за умов трансформації її окремих складових, методів управління природокористуванням та екологічної політики. За цих умов пріоритетне значення має формування ефективного економічного механізму природокористування із центрального питання інтегрального управління: чи слід вважати ефективною формалізацію параметрів, котрі дозволяють з’ясувати компроміс між економічним розвитком та екологічною безпекою. Саме економіко-екологічний аналіз складових технологічних процесів дозволяє встановити лімітуючі фактори розвитку в системі «дія – стан – вдосконалення» й визначити окремі закономірності (тенденції) з метою їх подолання. Запропоновані важелі поліпшують інтегральне управління в процесі модернізації технології безреагентної підготовки води (використання електромагнітних полів) на працюючих теплоенергетичних об’єктах та унеможливлюють процеси забруднення навколишнього природного середовища, забезпечуючи при цьому економію енергетичних витрат за умов планування нових об’єктів. Зазначене дозволяє підтвердити доцільність впровадження у промисловість розробленої системи систематизації та формалізації даних пасивного моніторингу.

Ключові слова: сталий розвиток, теплопостачання, пасивний моніторинг, природоохоронна діяльність.

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Zhuravska Nataliia, PhD, Associate Professor. **Likhatskyi Valerii**, student. Kyiv National University of Construction and Architecture. **Systematization and Formalization of Passive Monitoring Data in Accordance with the Component-Functional State of Heat Supply Systems.** The article examines the assessment of the state of water and hot heat supply systems of heat and power facilities for innovative and constructive use of thermal energy, with effective use in all areas of these systems: generation, for heating water or for generating steam, transporting it to the consumer, as well as when it is consumer so rich industries. Including the housing and communal complex and the construction industry – for example, a scientific and methodological concept has been created for the implementation of passive monitoring to assess the state of heat supply systems, under the conditions of the initial action, on material flows in them of electromagnetic fields. It has been established that an effective form of reagent-free water preparation in electromagnetic fields is technogenic – the nature of material flows due to the electromagnetic dissociation of their micro particles and the formation of active complexes (due to the interaction between them) is determined. It has been established that as a result of passive monitoring, the systematization and formalization of its data should be carried out taking into account three aspects: engineering - technological, engineering – microbiological and organizational – managerial decisions. It is shown that the passive monitoring system is an obligatory subordinate component of environmental management in the industrial sphere – heat and power facilities of water and steam heat supply systems of an innovative direction. The analysis of the content of the point of view of Ukrainian and foreign scientists, monographs is carried out and joint conclusions are made in the conditions of the illuminated literary material under the following headings: the main economic, environmental and regulatory aspects of nature management; the formation of the biosphere in the conditions of transformation of its individual components; methods of environmental management and environmental policy and the like. In these conditions, the formation of an effective economic mechanism for environmental management is of priority; on the central issue of integral management, it requires clarification – formalization of parameters should be considered effective, which make it possible to clarify a compromise between economic development and environmental safety. It is the economic and environmental analysis of the components of technological processes that makes it possible to establish the limiting factors of development in the system (action – state – improvement) and to determine individual patterns (tendencies) in order to overcome them. The theoretical principles of magnetized water are presented in the works, and the priority level is confirmed by the receipt of three patents of Ukraine for useful action and one copyright certificate for intellectual property, and received support at domestic and foreign conferences. The proposed levers improve integral control in the process of modernizing the technology of non-reagent water treatment (use of electromagnetic fields) at heat and power facilities of rich operating industries and make it impossible to process environmental pollution and save energy costs with effective continuous planning of new facilities. Therefore, through the analysis of the general environmental situation, the technical state of the initial data systems, it is possible to confirm the developed classification and formalization of passive monitoring data, on the use of theoretical foundations in practice – the regulations for industrial implementation, is the basis of the concept of sustainable development.

Keywords: sustainable development, heat supply, passive monitoring, environmental protection.

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FINANCIAL STABILITY OF BANKS AND ITS MONITORING IN UKRAINE

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Introduction. The banking system of Ukraine plays an important role in the improvement of market relations, structural changes, and economic growth of the country. It largely determines the speed, quality and scale of economic development. The stable functioning of the banking sector ensures the overall macroeconomic stability of a market economy. However, in Ukraine over the past ten to fifteen years, banking crises caused by various reasons have become commonplace, accompanied by capital losses, destabilization of the functioning of economic entities and households, and a decline in general welfare.

Addressing the problem of ensuring the financial stability of banks requires a comprehensive, systematic approach and involves the development of relevant recommendations for the use of tools for identifying and assessing threats and responding to them in a timely manner. At the same time, today every bank must not only adapt to changing environmental conditions, counteract the impact of negative factors, but also actively develop, implementing innovation products and technologies and appropriate methods and tools of risk management. This highlights the importance of studying the theoretical and applied foundations of the banks’ financial stability.

Overview of recent researches and publications. For a rather long time financial stability has been the subject for scientific discussions by both foreign and Ukrainian scholars who are trying to find methods of forecasting, preventing and neutralizing the crisis in the banking sector in the early stages. It is worth mentioning the works by G. Afonso, S. Cecchetti, A. Crockett, A. Demirguc-Kunt, O. Issing, K. Reinhart, G. Schinasi, and X. Vives. However, their researches are mainly concerned with economic processes in countries with developed market economy and effectively functioning institutional mechanisms to ensure financial stability, and therefore require some rethinking for countries with transformational economy.

Among domestic scholars who have made a significant contribution to the development of theory and methods of assessing and ensuring the financial stability of the banking sector as a whole and individual banks in Ukraine, it is necessary to mention O. Baranovsky, I. Bielova, I. Chmutova, Zh. Dovhan, O. Holovko, M. Khutorna, O. Kolodiziev, V. Kovalenko, V. Mishchenko, N. Pohorelenko, O. Vovchak, and others. Appreciating their contribution to substantiating the foundations of banking stability, it should be emphasized that the constant emergence of new problems in this area requires in-depth research on both the content of the concept of financial stability of banks and applied aspects of its monitoring to prevent crises.

The aim of the article is to develop approaches to determining the financial stability of banks and to identify opportunities for its monitoring in Ukraine on the basis of publicly available statistical data of the National Bank of Ukraine**.**

Basic material and results. The content of the concept of financial stability is undoubtedly complex and multifaceted in terms of its internal components and external factors. Historically, the path to understanding it was through the awareness of the inevitability of periodic financial instability (the works of J. Keynes, I. Fisher, H. Minsky, J. Stiglitz [1], A. Demirguc-Kunt [2] and others), which could have, according to the scholars, both endogenous and exogenous nature. Further attempts to explain financial stability only through its opposite (the so-called reverse approach) have been thoroughly criticized, and currently the direct approach to the conceptualization of financial stability, which involves the disclosure of its economic content, specific features, properties and factors of influence, is predominant.

Modern scientific literature contains different scientific approaches to the typification of financial stability depending on the types of objects studied. Within the framework of the system approach the financial stability of the economic system [3], the financial system [4], the banking system is considered [5; 6]; from the point of view of the institutional approach – financial stability of business entities, commercial banks, households. At the same time, the scientific interpretation of the concept of financial stability of the bank is still insufficiently studied, and its theoretical investigation is fragmentary. Thus, H. Azarenkova and O. Holovko interpret it as the ability of the banking institution to maintain equilibrium for a certain period of time in terms of individual areas of financial relations; it can manifest itself through a permissible deviation from the trend line of the selected indicator over time [7].

M. Khutorna notes that the financial stability of a credit institution, first of all, is ensuring proper coverage of actual and potential negative consequences of internal imbalances and preventing their transfer to the real economy, as well as maintaining long-term resistance to negative changes in the environment. Regarding the bank, the author claims that this is a continuum of states in which the bank retains its ability to operate smoothly and efficiently for future development [8, p. 56, 69].

Undoubted awareness of the basic need to ensure the financial stability of a modern bank should be integrated at all levels of its management, and the tools carefully selected and adapted to the specifics of the bank should be used in all its business processes. The main features of ensuring the optimal level of financial stability of the bank in a dynamic macro environment are: its ability to maintain long-term equilibrium as a result of resistance to internal and external threats; ensuring the continuity of activities in terms of performing the basic functions as a financial intermediary; the ability to absorb the effects of the negative impacts of internal and external factors; ability to ensure sustainable targeted financial development of the bank, based on innovative principles.

Therefore, we can talk about the need to clarify the concept of financial stability of the bank, formed under the influence of modern operational, functional, institutional, technological features of its performance [9]. In our opinion, it should be understood as the ability to:

- ensure equilibrium in the long run by counteracting / adapting / absorbing internal and external shocks based on the use of a proactive approach to identifying and managing threats to the functioning of the bank over time;
- maintain the continuity, efficiency and financial effectiveness of operation;
- ensure sustainable targeted financial development through early adaptation to the objective transformations of the economic environment by comprehensive integration of risk-oriented approach and the use of the newest methods to manage the bank in terms of all its business processes.

In the context of monitoring the financial stability of the Ukrainian banks, it is necessary, first of all, to analyze the dynamics of the main indicators of their activities' scale (Figure 1).

The data in Figure 1 show that the number of banking institutions in Ukraine has continued to decrease over the last five years. "Cleaning of the banking sector", according to the National Bank of Ukraine (NBU), started as far as in 2014-2015. Thus, as of 01.01.2014, there were 180 banks in Ukraine, and at the beginning of 2020 there were 75 banks, i.e. 105 banks were withdrawn from the market in six years. However, it is important to note that the reduction in the number of banking institutions did not significantly affect the amounts of banking capital, assets and liabilities. During the analysis period, the number of banks decreased by 42, but the assets, the liabilities and the capital increased by UAH 239.0 billion, UAH 142.7 billion, UAH 96.2 billion, respectively. So, the banking sector, despite the quantitative reduction, improved its performance including due to the need to meet the requirements of the NBU to increase the minimum amount of regulatory capital that, of course, affected its financial stability.

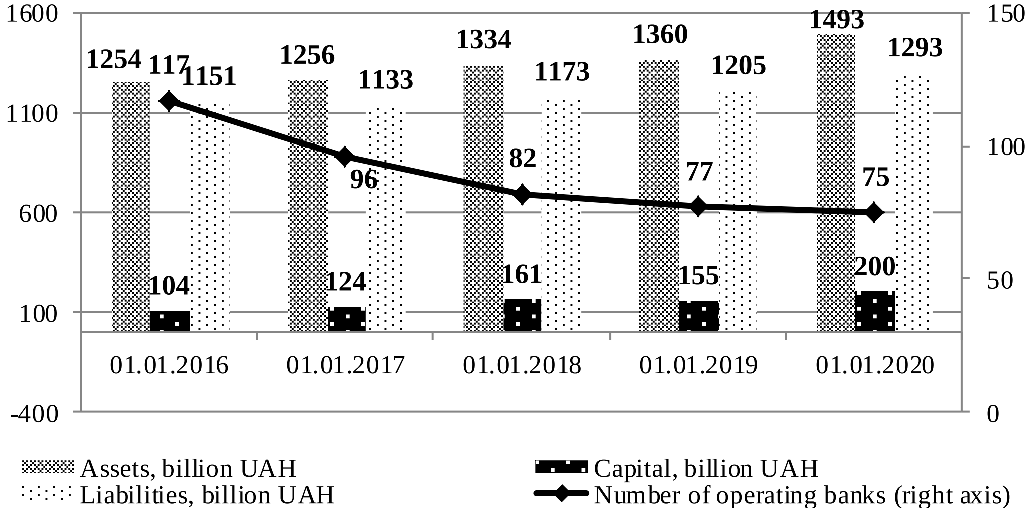

Fig. 1. Dynamics of the main indicators of the Ukrainian banks

**Complied according to the National Bank of Ukraine [10].*

The dynamics of the Bank Z-score indicator for Ukraine, which is calculated by the World Bank [11], can be a certain confirmation for this conclusion. Z-score compares the stability buffer of the banking sector – capitalization and profitability – with the volatility of these indicators. It reflects the probability of default of the banking system and allows comparing the situation in different countries. The increasing of the Bank Z-score means positive dynamics, the critical value is less than 2 [12].

In the period 2008-2017, among the neighboring countries of Ukraine – Poland, Belarus and Russia – the banking system of Poland (with a rate of 8.98 in 2017) has the highest level of financial stability, although in 2008 the banking system of the Russian Federation was the most stable (8.08). In 2009, the domestic banking system was the least financially stable, as the Bank Z-score was only 3.27. The lowest probability of default for Ukraine during this period was in 2012, when the Bank Z-score was 5.56, because this year the financial result of the Ukrainian banks, in the end, became positive after three years of their unprofitable performance. In 2017, this indicator for Ukraine began to rise after the crisis fall in 2015-2016 and reached the level of 4.57 (which, at the same time, was almost twice less than the Polish one).

The study of indicators that assess the performing banking basic functions at the macroeconomic level (the ratios of banking capital, assets, loans and deposits to GDP) is an important area of analysis of the financial stability of the Ukrainian banks [13] (Figure 2). It should be noted that from 2016 the Bank for International Settlements began publishing statistics on one of these indicators, namely, the bank assets to GDP ratio, which reflects the depth of banking intermediation (financial depth), and recommended that central banks use it to monitor banking sector's financial stability.

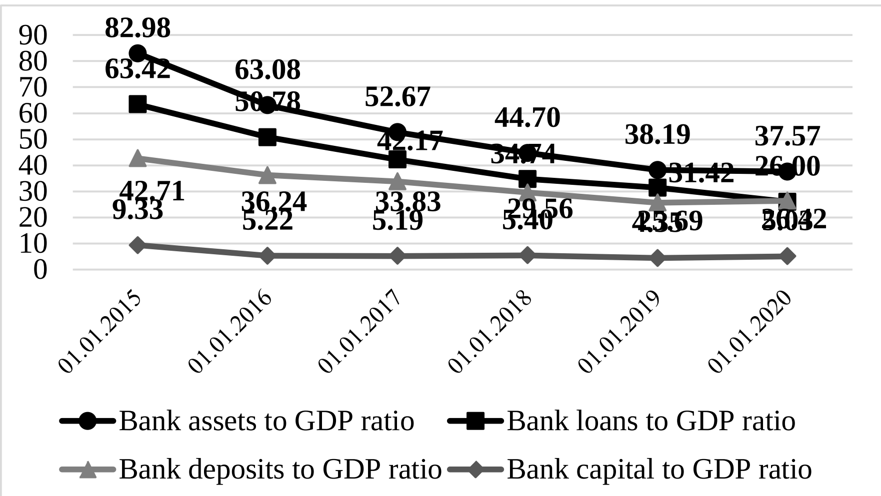

Fig. 2. Dynamics of the financial stability indicators of the Ukrainian banks in relation to the performance of their main functions at the macroeconomic level, %

**Complied according to the State Statistics Service of Ukraine and the National Bank of Ukraine [14; 10].*

The data shown in Figure 2, indicate that the penetration of banks into the economy had a steady downward trend in almost all indicators. All indicators decreased from 1.5 to 2.5 times during the analysis period, and only at the end of 2019 the ratios of deposits and of capital increased slightly compared to the previous year. Thus, the development of the banking sector "does not keep up" with the development and needs of the economy, so its financial stability determined by other approaches is quite relative.

Assessing the growth rates of the indicators that are primary for the calculation of the above mentioned indexes of financial stability allows for a more in-depth analysis of the processes under study (Table 1).

Table 1

Growth rates of GDP and assets, loans, deposits and capital of the Ukrainian banks, %

Indicators*	01.01.2016	01.01.2017	01.01.2018	01.01.2019	01.01.2020
GDP growth rate	25.3	20.0	25.1	19.3	11.6
Bank assets growth rate	-4.7	0.2	6.2	1.9	9.8
Bank loans growth rate	0.3	-0.4	3.1	7.9	-7.6
Bank deposits growth rate	6.3	12.0	9.3	3.7	14.8
Bank capital growth rate	-29.9	19.4	30.2	-3.8	29.0

** Chain growth rates.*

***Calculated according to the State Statistics Service of Ukraine and the National Bank of Ukraine [14;10].*

The calculated annual growth rates suggest that the following aspects of strengthening the financial stability of domestic banks are being identified:

– negative growth rates of bank loans indicate the absence of excessive lending, therefore, this threat is not inherent in the current development of the banking sector of Ukraine. However, it should be noted that the reduction in the growth rate of banks' loan portfolios may have negative consequences in terms of efficient use of borrowed funds;

– increasing the growth rate of bank deposits proves a sufficient level of depositors' confidence in the national banking system;

– sizeable growth rate of equity indicates the growing capitalization of the banking sector, despite the considerable amounts of accumulated uncovered losses of domestic banks, which were formed in previous crisis periods. The constant increase in the banking capital is caused by the need to form an adequate "buffer of protection against risks" and allows improving the financial stability of the banking sector.

Thus, capital stability and capital adequacy are the most important financial stability indicators of the banks [15] (Figure 3).

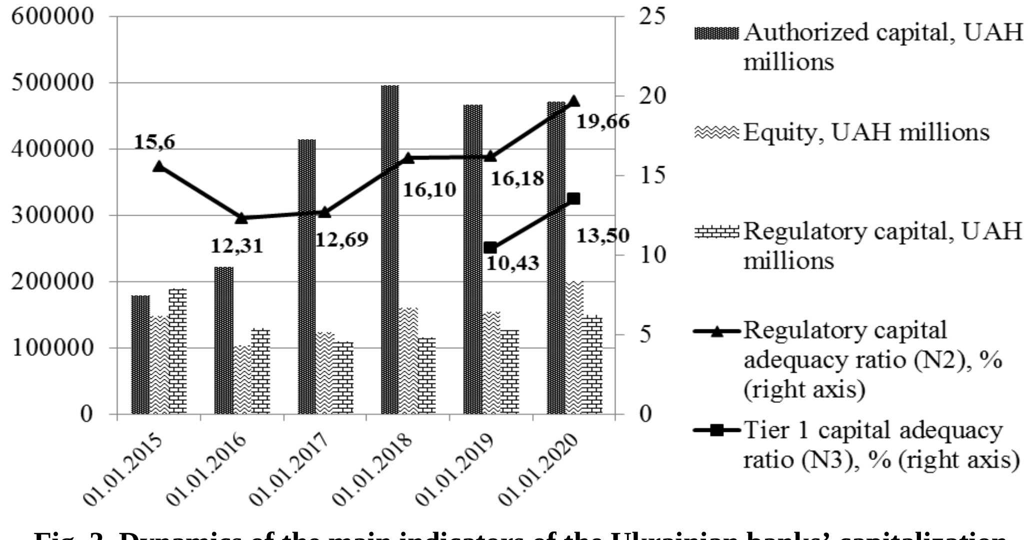

Fig. 3. Dynamics of the main indicators of the Ukrainian banks' capitalization

** Tier I capital adequacy ratio (N3) began to be calculated on February 1, 2019.*

***Complied according to the National Bank of Ukraine [10;16].*

It should be noted that at the beginning of the analysis period, almost all capital indicators of banks decreased significantly, which was due to the restructuring of the banking sector by the National Bank and the forced nationalization of CB “PrivatBank”. In the future, all indicators gradually increased, but the constant excess of authorized capital over equity due to the uncovered losses in the capital structure of most Ukrainian banks is noteworthy, which, at the same time, is gradually declining.

Capital adequacy ratios are a kind of barometer of the financial strength margin as a prerequisite for the financial stability of the banks. In general, the amount of regulatory capital of the Ukrainian banks is gradually recovering after a considerable decrease in 2015-2016. The constant compliance by banks with the capital adequacy ratio N2, which at the beginning of 2020 almost doubled the minimum value (10%), is also a positive point. However, such a sizeable excess, in our opinion, is not, as a whole, a result of the strong capital base formation, but a consequence of the specific assets’ structure of many banks, where government bonds account for a significant share. At the same time, as of July 1, 2020, in five of the fourteen systemically important banks of Ukraine, the excess of the N2 ratio was in the range of 3 pp. up to 5 pp. above the minimum value. In our opinion, this may not be enough to cover unexpected losses in terms of operational risk as well.

Thus, one of the priority areas for ensuring the financial stability of domestic banks is to overcome the problems of their capitalization in order to be able to withstand shocks that threaten the smooth realization of the banks’ functions.

The level of non-performing loans (NPL), which characterizes the quality of loan portfolios, is one of the indicators that reflect the threat to the financial stability of both the individual bank and the banking sector as a whole. Statistics on non-performing loans is available from February 1, 2017 on the NBU website (Table 2).

Table 2

Dynamics of the share of non-performing loans in the loan portfolio of the Ukrainian banks, %

Indicators	01.02.2017	01.01.2018	01.01.2019	01.01.2020	Absolute deviation	
					01.01.2020/ 01.01.2019	during the analysis period
Share of non-performing loans, total	53.99	54.54	52.85	48.36	-4.49	-5.63
including in banks:						
- with state share, among them:	77.23	71.12	67.92	63.52	-4.40	-13.71
CB «PrivatBank»	83.00	87.64	83.35	78.38	-4.97	-4.62
-with state share, except CB "PrivatBank"	29.37	55.75	54.96	49.33	-5.63	19.96
-of foreign bank groups	49.66	41.01	38.50	32.51	-5.99	-17.15
- with private capital	23.75	24.08	23.01	18.57	-4.44	-5.17
- insolvent banks	36.82	43.02	52.04	0.00	-52.04	-36.82

**Calculated according to the National Bank of Ukraine [17].*

The indicators in Table 2 show that the quality of assets of the Ukrainian banks is extremely unsatisfactory. In 2016-2017, a considerable increase in NPL was caused by: the new methodology for recognizing problem assets, taking into account international experience; recognizing a sizeable share of problem loans of CB "PrivatBank" after nationalization; objective deterioration of borrowers’ creditworthiness due to declining real incomes; large amounts of insider lending. To strengthen the stability of banks, the National Bank insists on improving asset quality management by restructuring, selling or writing off non-performing loans [18]. As of January 1, 2020, the share of such loans decreased to less than 50% of assets for the first time since the beginning of the calculation and amounted to 48.36%, which is certainly a positive trend.

It should be noted that it is important for banks to form a sufficient reserves in case of non-repayment of credit debt to be able to “absorb” risks generated by active operations. In our opinion, the security of loans (the ratio of provisions to total loans) is no less important than the level of their problem-causing (Figure 3).

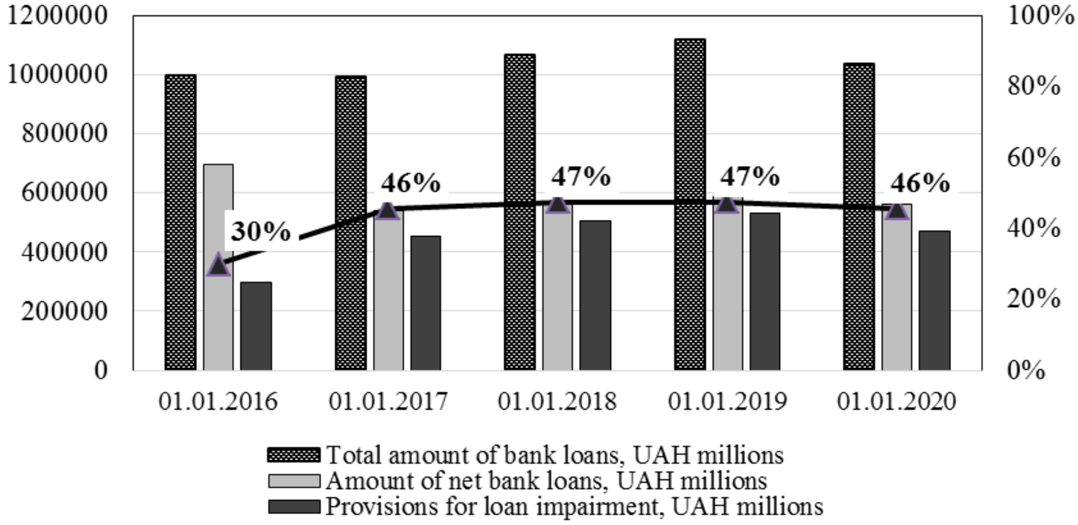

Fig. 3. Dynamics of the loans' quality of the Ukrainian banks

**Complied according to the National Bank of Ukraine [17].*

A considerable amount of provisions is directly related to the amount of non-performing loans of domestic banks. Over the last four years, loan protection has fluctuated between 46%-47%. It is important to emphasize that the concealment of non-performing loans and the insufficient level of provisions for loan impairment can crucially affect the stability of both a particular bank and the banking sector as a whole.

The National Bank of Ukraine, which implements macroprudential policy, supervises banks (in particular, compliance with mandatory ratios), performs their stress testing and contributes to the financial health of banks, especially systemically important ones, plays an important role in ensuring the financial stability. The main indicators of the financial stability of the Ukrainian banks, which are used to assess the effectiveness of their performance, are calculated by the NBU on the basis of the IMF methodology. The main areas of analysis are: capital adequacy, asset quality, profit and profitability, liquidity, sensitivity to market risk (Table 3).

Table 3

The main financial stability indicators of the Ukrainian banks in 2016-2020 (as of the end of the period)

Indicators	2016	2017	2018	2019	2020*
I1 – Regulatory capital to risk-weighted assets ratio	12.69	16.10	16.18	19.66	21.91
I2 – Tier 1 regulatory capital to risk-weighted assets ratio	8.96	12.12	10.52	13.50	16.05
I3 – Non-performing loans excluding reserves to capital ratio	89.37	70.18	60.20	25.28	23.14
I4 – Non-performing loans to total gross loans ratio	30.47	54.54	52.85	48.36	45.62
I5 – Loans by sectors of the economy to total gross loans ratio (residents)	95.92	94.21	93.47	92.83	93.28
I6 – Return on assets rate	-12.47	-1.76	1.60	4.70	3.42
I7 – Return on capital rate	-122.2	-15.34	14.61	37.55	26.24
I8 – Interest margin to gross income ratio	45.94	50.20	52.02	47.39	44.27
I9 – Non-interest expenses to gross income ratio	60.91	76.14	61.92	55.58	56.67
I10 – Liquid assets to total assets ratio	48.53	53.94	51.14	72.28	71.71
I11 – Liquid assets to short-term liabilities ratio	92.09	98.37	93.52	94.35	89.68
I12 – Net open position in foreign currencies to capital ratio	57.07	43.31	46.99	47.44	35.58

** Data for 9 months of 2020.*

***Complied according to the National Bank of Ukraine [20].*

The dynamics of indicators I1 – I4, given in Table 3, confirms the conclusions made earlier on the gradual improvement of capital stability of the Ukrainian banks and the quality of their loan portfolios. A slight decrease in indicator I5 means an increase in the share of loans to non-residents, which necessitates particular attention of banks to monitoring their creditworthiness.

Indicators I6 and I7 show that in 2018-2020, the banking sector as a whole began to generate profits, which creates the preconditions for strengthening their financial stability. Indicator I8, despite some fluctuations over a period of time, has a positive trend, as it confirms the growing diversification of the income base of the Ukrainian banks. The trend of indicator I9 is also positive and indicates implementing the austerity policies in banks, which reflected in the increase in their profitability.

During the period 2016-2020, liquidity indicators (I10 and I11) significantly exceeded the normative values, which indicates not only the ability of banks to pay their obligations on time, but also the significant untapped opportunities to invest in profitable assets, the lack of banks' desire to take additional risks. It should be noted that since September, 2019 the calculation of liquidity ratios N4 and N5 was cancelled in Ukraine. Instead, banking institutions should calculate the liquidity coverage ratio (LCR) on a daily basis, which more effectively reflects the level of banks' resilience to short-term liquidity shocks. As of October 1, 2020, the normative values of both LCR_{ac} (liquidity coverage ratio for all currencies) and LCR_{fc} (liquidity coverage ratio for foreign currencies) were met by all banks of Ukraine [17], which created the basis for ensuring their financial stability.

Summarizing, currently the banking sector is the most financially stable in its history, according to the NBU [20, p. 21], despite the impact of the pandemic and quarantine restrictions.

Conclusion. The study led to the conclusion that the internal balance is the basic determinant of the financial stability of the bank. Given the modern transformation of banking, the meaning of this concept is significantly enriched. Along with the established attributes of the bank's financial stability (equilibrium, proactive threat management, maintenance of continuity, efficiency and financial effectiveness), it is now necessary to focus on early adaptation of the banking institution to objective transformations of the economic environment through integration of risk-oriented approach and use of advanced methods of bank management in all its business processes.

The dynamic context is a defining feature of assessing the financial stability of banks, which is embodied in the definition of certain indicators and the study of their trends. This helps to identify existing or possible problems in banks that can lead to financial fragility.

Ukrainian banks have significantly increased their resilience to the crisis over the past five years. Thus, in the banking sector there is an increase in capitalization, a gradual decrease in non-performing loans in the loan portfolio, the implementation and compliance with new capital and liquidity ratios, which allows us to conclude that it improves its financial stability. Moreover, domestic banks are showing sufficient readiness for the crisis. Carrying out rapid diagnosis of financial stability of banks in the areas identified in the study allows identifying its deterioration in time, assessing the likelihood of a financial crisis and promptly taking appropriate measures to prevent critical consequences for the national economy.

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Єгоричева Світлана Борисівна, доктор економічних наук, професор. Національний університет «Полтавська політехніка імені Юрія Кондратюка». **Вовченко Оксана Сергіївна**, асистент. Вищий навчальний заклад Укоопспілки «Полтавський університет економіки і торгівлі». **Фінансова стабільність банків та її моніторинг в Україні.** Розвинуто поняття фінансової стабільності банків як комплексної та багатоаспектної категорії, зміст якої постійно збагачується. Розглянуто підходи до визначення фінансової стабільності в цілому й фінансової стабільності банків зокрема. Зазначено, що сучасні операційні, функціональні, інституційні, технологічні особливості діяльності банків не можуть не позначитися на змістовному наповненні їх фінансової стабільності та оновленні механізмів її забезпечення. Наголошено на необхідності завчасної адаптації банківських установ до об’єктивних трансформацій економічного середовища шляхом інтегрування ризик-орієнтованого підходу й використання передових методів управління банком у всіх його бізнес-процесах. Здійснено моніторинг рівня фінансової стабільності банків в Україні, для чого проаналізовано основні об’ємні показники їхньої діяльності та індикатор Bank Z-score, що розраховується Світовим банком. Аналіз показників проникнення банків в економіку засвідчив, що розвиток банківського сектора відстає від потреб реального сектора, тому їхня фінансова стабільність є відносною, хоча простежуються тенденції до її зміцнення. Особливо позитивним стає постійне нарощення капітальної бази українських банків і дотримання ними нормативів адекватності капіталу. Проте якість кредитних портфелів банків є незадовільною, що становить загрозу для їхньої фінансової стабільності, навіть із врахуванням великих обсягів сформованих резервів під

неповернення кредитів. Динаміка індикаторів фінансової стабільності, що розраховуються Національним банком України, підтвердила наявність передумов для її перспективного забезпечення, незважаючи на складні умови зовнішнього середовища. Запропоновані у статті напрями моніторингу фінансової стабільності дозволяють вчасно діагностувати її погіршення з метою недопущення критичних наслідків для національної економіки.

Ключові слова: банк, фінансова стабільність, рівновага, адаптація, моніторинг, достатність капіталу, якість кредитного портфеля.

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Yehorycheva Svitlana, D.Sc. (Economics), Professor. National University "Yuri Kondratyuk Poltava Polytechnic". **Vovchenko Oksana**, Assistant. Higher Educational Establishment of Ukoopspilka "Poltava University of Economics and Trade". **Financial Stability of Banks and Its Monitoring in Ukraine**. The concept of financial stability of banks as a complex and multifaceted category, the content of which is constantly enriched, has been developed. Approaches to determining the financial stability and financial stability of banks, in particular, are considered. It is noted that modern operational, functional, institutional, technological features of banks cannot but affect the content of their financial stability and update the mechanisms for its ensuring. Emphasis is placed on the need for early adaptation of banking institutions to objective transformations of the economic environment through the integration of risk-oriented approach and the use of advanced methods of bank management in all its business processes. The level of financial stability of banks in Ukraine is monitored, for which the main volume indicators of their activity and the Bank Z-score indicator calculated by the World Bank are analyzed. The analysis of indicators of banks' penetration into the economy shows that the development of the banking sector lags behind the needs of the real sector, so its financial stability is relative, although there are trends to strengthen it. The constant increase in the capital base of Ukrainian banks and their compliance with capital adequacy ratios is particularly positive. However, the quality of banks' loan portfolios is unsatisfactory, which poses a threat to their financial stability, even given the large amounts of formed provisions for loan impairment. The dynamics of financial stability indicators calculated by the National Bank of Ukraine confirms the existence of prerequisites for its long-term provision, despite the difficult environmental conditions. The directions of monitoring of financial stability offered in the article allow diagnosing its deterioration in time to prevent critical consequences for the national economy.

Key words: bank, financial stability, equilibrium, adaptation, monitoring, capital adequacy, loan portfolio quality.

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BUSINESS PLANNING AND ASSESSMENT OF ITS IMPACT ON THE ENTERPRISE FINANCIAL STABILITY

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Introduction. The process of successful operation and development of the enterprise in a market economy depends on the level of its economic stability, so in recent years, sustainable development of the enterprise has become one of the priority strategic objectives. Fluctuations in economic activity, the crisis in the real economy and the financial system of Ukraine have significantly affected the sustainability of economic entities, demonstrated their weaknesses.

In practice of the economic entities activities study, one of the most common and used for decision-making is the analysis of financial condition. Conducting of this provides various stakeholders with an opportunity to obtain the necessary information base. In particular, information support for decisions of management, creditors, investors and counterparties etc. is provided. Still, a question remains relevant, to what extent the existing methods of analysis meet the needs of users considering the dynamism and diversity of economic processes at the present stage of an enterprise development as an open socio-economic system.

Analysis of recent research sources and publications. The listed below works by the domestic and foreign scholars are dedicated to the study of theoretical and methodological principles and development of methods for financial condition of the enterprise analyzes: O. Andriichuk, O. Arefieva, L.A. Bernstein, I.O. Blanc, F.F. Butynets, E. Helfert, V.V. Kovalov, M.Ya. Korobov, O. Kolodiziev, L.A. Lakhtionova, J. Richard, V.S. Rudnytskyi, H.V. Savytska, V.K. Savchuk, A.D. Sheremet, Yu.S. Tsal-Tsalko, I. Vinichenko et al. [1-7]. The article by V.V. Mokeev, E.V. Bunova and A.V. Perevedentseva describes the methodology for analyzing the stability of an enterprise. It provides formulas for calculating the complex indicator of economic and financial stability [8]. The Malek's study has identified 29 enablers of sustainable manufacturing. Interpretive Structural Modeling has been utilized by Malek to develop a hierarchy structural model which can represent the interrelationships among the enablers of enterprise sustainability [9]. I. Vinichenko studies the components of agricultural enterprises economic and financial stability [10].

However, while studying this complex problem, the following questions remain unresolved: adequacy of the system of analytical indicators of the object of study state as a system; significance of individual indicators; compliance of the system of indicators to object dynamics; logical linking of indicators (considering the relationship between different subsystems); validity of normative values of indicators, including those for different stages of the object development.

The purpose of the article. This study substantiates relevant relationships between static and dynamic indicators of financial condition, which reflect its characteristics such as business activity and financial stability.

Results. Developed methods for financial condition analysis with their characteristic features of indicators systems application and recommended standard values for their interpretation are at the disposal of users [1-3, 7]. Liquidity indicators characterize the optimal composition and structure of the enterprise assets and liabilities from the standpoint of ensuring its solvency. Indicators of financial stability enable estimating long-term solvency and level of financial risk. Turnover indicators characterize efficiency of property use and level of the enterprise business activity.

The problem of the system of indicators applying is its most rational selection, which, on the one hand, would avoid their duplication (in economic terms), and on the other – to cover all the important characteristics of the object under study. Whilst significance of different characteristics may vary, which should be taken into account in particular when calculating the integrated indicators of financial condition. The accurate selection of analytical tools also depends on the clarity of defining the financial condition category as the object of research.

The logic of constructing a “financial condition of the enterprise” economic category definition involves its consideration primarily from the standpoint of the reproduction process and submission to the laws of the market. In general, this category reveals economic relations, covering a wide range of monetary relations associated with the formation, placement and use of financial resources, cash, capital, income in the process of their circulation, which form the financial mechanism for socio-economic development of the enterprise provision, ability to function and develop in a changing external environment, current and perspective opportunities to meet the requirements of creditors, as well as its investment attractiveness.

On the one hand, financial condition of the enterprise as the basis of its competitiveness reflects the enterprise real and potential capabilities, which are formed in the process of production, commercial, financial and investment activities, its self-financing ability, as well as characterizes the level of financial resources endowments, necessary for the enterprise regular functioning and development in the long-term perspective, expediency of their placement and efficiency of use. On the other hand, it determines financial relations with other legal entities and individuals, the enterprise’s ability to operate in the external environment, its potential in business cooperation, allows assessing investment attractiveness and determining the company's position in domestic and other ratings.

Financial condition changes in one way or another after almost each business transaction. In addition, its dynamics is determined by the development of the enterprise at different stages of the life cycle. Still traditional indicators of financial condition have different (and therefore difficult to compare) dynamism characteristics. That is why occurs an objective need to improve the methodological approach to the analysis of the enterprise financial condition, taking into account its variability. Thus, indicators of financial stability and liquidity are determined at a fixed point of time and do not indicate the state between the moments at the beginning and end of the reporting period. In this context, stasis of these indicators is objective, as they are determined on the basis of financial statements fixed balances; in addition, creditworthiness is an ability to settle liabilities in a certain period (the obligation time). On the other hand, however, the ability that arises at a certain point of time is a consequence of the process that has a certain set of qualitative and dynamic characteristics. Thus, liquidity (if to consider it not only in terms of balance of payments or balance sheet) is characterized by a certain quality, properties of assets, as well as features of the sources of asset formation and depends on the efficiency of their use. These properties, in turn, are determined by a number of internal and external factors related with the quality of production assets, staff qualifications, production process organization level, composition and conditions of own and borrowed funds formation, etc., which determine the dynamics of asset formation and use.

Regarding the dialectic of the indicators dynamics understanding, it is established that business activity indicators are characterized by higher dynamics, while current assets turnover indicators, which are determined on the basis of data for the period, reflect the process efficiency of their use.

Based on the system approach, it is established that substantiation of the indicators system and their dynamics is closely related to the relationship between individual groups of financial condition indicators. In this context, it is important to explore the interdependencies of financial stability and business activity, whereas they reflect two most important criteria in financial management, which are efficiency and risk.

Peculiarity of the study of financial stability indicators relationship with business activity indicators is that the former are determined statically (at a certain point of time) based on balances at the beginning or end of the period, and the latter - dynamically, reflect data for the study period and are determined on the basis of average indicators and turnover (in particular, the turnover ratio of assets (G_A), which is determined by the ratio of net income (NI) to the average value of assets (A)):

$$O_A = \frac{NI}{\bar{A}} = \frac{2NI}{A_0 + A_1} \quad (1)$$

where A_0, A_1 indicate assets value respectively at the beginning and the end of the period under study.

This indicator characterizes the speed of economic means undergoing all the stages of their cycle and shows how many circulations they make during the study period (year). Its increase contributes to the growth of financial results, growth of the level of creditworthiness, and in general indicates an increase in business activity.

To reflect the relationship between financial stability and business activity, this model must be transformed by dividing the numerator and denominator of the fraction (1) by the average equity:

$$\mathrm{AT} = \frac{2\mathrm{NI}}{\frac{\mathrm{EC_0+EC_1}}{\frac{\mathrm{A_0+A_1}}{\mathrm{EC_0+EC_1}}}} \tag{2}$$

As a result of conversion in the numerator of the fraction we get the turnover of equity (ROE). This indicator reflects the volume of sales per unit of equity and characterizes the turnover rate of the latter. In the system of the enterprise business activity indicators, it is used to assess the effectiveness of resource management and participation of owners. Considering the formula (2) we get:

$$AT = \frac{\mathrm{ROE(EC_0 + EC_1)}}{\mathrm{A_0 + A_1}} = \frac{\mathrm{ROE}(2\frac{\mathrm{EC_1}}{\mathrm{A_1}} - \frac{\Delta\mathrm{EC}}{\mathrm{A_1}})}{2 - \frac{\Delta\mathrm{A}}{\mathrm{A_1}}} \tag{3}$$

Considering that

$$\frac{\mathrm{EC_1}}{\mathrm{A_1}} = \mathrm{R}_{N1} \tag{4}$$

Thus

$$AT = \frac{ROE(2R_{N_1} * \mathrm{A_1} - \Delta\mathrm{EC})}{2\overline{\mathrm{A}}} \tag{5}$$

where RN_1 is a coefficient of financial independence at the end of the period. From here:

$$\mathrm{R}_{N_1} = \frac{(2\frac{\mathrm{AT}}{\mathrm{ROE}} * \overline{\mathrm{A}} + \Delta\mathrm{EC})}{2\mathrm{A_1}} \tag{6}$$

It is necessary to investigate separately the ratio of asset turnover to equity turnover (C_t):

$$C_t = \frac{AT}{\mathrm{ROE}} \tag{7}$$

On the one hand, this indicator reflects the dynamics of the structure of activity funding sources (i.e. financial stability). With increase in the share of equity on the average balance sheet, C_t approaches 1, and with its decreases, it approaches zero. On the other hand, ROE can be interpreted as a characteristic of the assets turnover generated from own sources. The closer C_t approaches 1, the greater the load on its own sources. This means that at expense of the own sources, different parts of current assets with greater liquidity and turnover are formed, assuming that their main purpose is to cover non-current and production current assets. Therefore, from a financial point of view, under a C_t high value (when the turnover of assets is close to the turnover of equity), the efficiency of using own sources decreases. On the contrary, the smaller C_t, the bigger the turnover of UAH 1 invested in own sources, though the risk of losing financial stability increases.

Thus, the ratio of asset turnover to equity turnover (C_t) can be considered as an indicator that expresses the dynamic relationship between financial stability and efficiency of capital use.

The disadvantage of C_t is that it does not reflect the absolute effect, that is why it is advisable to take into account the dynamics of net income separately.

However, the ratio of asset turnover and equity turnover is a certain dynamic lever that reflects the intensity of equity sources use.

Let's mark:

Let us denote:

$$\mathrm{R}_{N1} = \frac{2\mathrm{A_1}(\mathrm{C_t}\left(1 - \frac{\Delta\mathrm{A}}{2\mathrm{A_1}}\right) + \frac{\Delta\mathrm{EC}}{2\mathrm{A_1}})}{2\mathrm{A_1}} \tag{8}$$

$$\frac{\Delta A}{A_1} = G_A$$

where G_A is asset growth rate. Then:

$$R_{N_1} = C_t\left(1 - \frac{1}{\frac{2}{G_A} + 2}\right) + \frac{\Delta EC}{2A_1} \tag{9}$$

The equity increase can be represented as follows:

$$\Delta EC = R_{N1} * A1 - R_{N0} * A_0 \tag{10}$$

where RN_0 is the coefficient of financial independence at the beginning of the period. Then:

$$\frac{\Delta EC}{A_1} = \frac{R_{N1} * A_1}{A_1} - \frac{R_{N0} * A_0}{A_1} = R_{N1} - \frac{1}{\frac{1}{R_{N0}} * \frac{A_1}{A_0}} = R_{N1} - \frac{1}{\frac{1}{R_{N0}}(1 + G_A)} \tag{11}$$

Considering (10) and (11):

$$R_{N1} = C_t\left(1 - \frac{1}{\frac{2}{G_A + 2}}\right) + \frac{1}{2}(R_{N1} - \frac{1}{\frac{1}{R_{N0}}(1 + G_A)}) \tag{12}$$

Or after simplifying:

$$R_{N1} = \frac{C_t(2 + G_A) - R_{NO}}{1 + G_A} \tag{13}$$

This dependence combines static indicators with dynamic ones, enables determining the impact of the enterprise business activity level on its financial stability, so it can be used in both retrospective and prospective analysis. Since the relationship between the performance indicator and the factors that form it in the combined model is rigidly determined, it is advisable to use the method of chain substitutions while evaluating the influence of factors. Due to the fact that in this method the magnitude of the change in the generalized indicator under the influence of the factor depends on the sequence taken in the calculation, it is necessary to be justified.

The quantitative parameter of model (13) is the coefficient of financial independence at the beginning of the period (RN_0), it is basic in comparative analysis and characterizes the initial structure of economic resources sources. The influence of this factor should be firstly determined. The growth rate of G_A assets reflects the dynamics of the process and chronologically characterizes the changes that occurred after the moment for RN_0. It must be considered as a secondary factor. Qualitative indicator Ct is the result of dynamic interaction of quantitative and structural indicators and reflects the qualitative characteristics, namely the efficiency of property use from the standpoint of optimizing the structure of its formation sources. The influence of this factor must be determined in the third order.

The study of the relationship between indicators of business activity and financial stability was conducted on the basis of the enterprise activities data for 2012–2019 (Table 1).

Table 1

The enterprise activities main indicators

Indicators	Years							
	2012	2013	2014	2015	2016	2017	2018	2019
NI	44670,4	45740	67027	94390	104128	130411	131806	128863
A_0	16540	26376,9	35964	40746	47642	80969	78625	71584
A_1	26376,9	35964	40746	47642	80969	78625	71584	67287
EC_0	7887,1	10054,7	10653	13537	17624	21586	25425	27754
EC_1	10054,7	10653	13537	17624	21586	25425	27754	29108

Based on the data from Table 1, the input information for the analysis of the financial stability model (6) is generated. The results of the calculations are presented in table 2.

Table 2

Input data for the enterprise financial stability (RN_1) model analysis

Indicators	Years							
	2012	2013	2014	2015	2016	2017	2018	2019
G_A	2,082	1,467	1,748	2,136	1,619	1,634	1,755	1,856
ROE	4,979	4,418	5,542	6,058	5,311	5,548	4,957	4,532
Ct	0,418	0,332	0,315	0,353	0,305	0,295	0,354	0,409
RN_0	0,477	0,381	0,296	0,332	0,370	0,267	0,323	0,388
RN_1	0,381	0,296	0,332	0,370	0,267	0,323	0,388	0,433
G_A	0,595	0,363	0,133	0,169	0,700	-0,029	-0,090	-0,060

Thus, the level of financial stability shows a negative trend until 2017. And while in 2018-2019 the value of the financial independence coefficient began to grow, its level for the entire study period was below the normative value. Some strengthening of financial stability took place under the negative dynamics of assets background, which indicates a decrease in liabilities of the enterprise.

To conduct a factor analysis, the dynamics of the input indicators of the financial stability model is determined (Table 3).

Table 3

Input indicators dynamics of the enterprise financial stability model

Indicators	Absolute deviation						
	2013 p.	2014 p.	2015 p.	2016 p.	2017 p.	2018 p.	2019 p.
RN_0	-0,0957	-0,0850	0,0360	0,0377	-0,1033	0,0568	0,0643
G_A	-0,2313	-0,2305	0,0363	0,5303	-0,7285	-0,0606	0,0295
Ct	-0,0859	-0,0168	0,0372	-0,0477	-0,0103	0,0595	0,0554
RN_1	-0,085	0,036	0,0377	-0,1033	0,0568	0,0643	0,0449

Table 4 presents the results of calculating the influence of factors on the change in RN_1 in 2013-2019 compared to the value of the corresponding previous period.

Table 4

Impact of factors to change in RN_1

Influence factor	The impact magnitude over the years						
	2013 p.	2014 p.	2015 p.	2016 p.	2017 p.	2018 p.	2019 p.
RN_0	0,0600	0,0623	-0,0318	-0,0322	0,0608	-0,0585	-0,0707
G_A	0,0039	0,0054	0,0005	0,0046	0,0169	-0,0020	0,0012
Ct	-0,1489	-0,0317	0,0690	-0,0757	-0,0209	0,1248	0,1144
Total	-0,085	0,036	0,0377	-0,1033	0,0568	0,0643	0,0449

The conducted calculations enable accepting certain characteristics of the model. A comparison of the data in Tables 3 and 4 shows that unlike other factors, the effect of G_A on RN_1 is not stable. In some cases (years 2013, 2014, 2015) a decrease in G_A leads to an increase in RN_1, and in others (2018) - to its decrease. This is due to the fact that the effect of G_A directly depends on the value of Ct. To identify this internal dependence, it is advisable to calculate the effect of G_A on RN_1 under different values of C_t. Upon this, value of RN_0 must be fixed at a constant level. In our chosen case (Table 5) RN_0 = 0.6.

In the ratio Ct/RN0 =1, (Table 5, under the condition C_t = 0.6), the effect of the G_A change to RN_1 (regardless of the direction of this change) is equal to zero. If C_t is bigger than RN_0, then the effect of G_A change to RN_1 is inverted to the direction of G_A change. Thus, in 2013, 2014, 2017 and 2018 the G_A index was decreasing while its effect on RN_1 under C_t bigger than 0.6 was positive. Conversely, in 2015, 2016 and 2019 the G_A index was increasing, and its effect on RN_1 under C_t bigger than 0.6 was negative. When C_t is smaller than RN_0, the effect of the G_A change to RN_1 is direct. In 2013, 2014, 2017 and 2018, with C_t smaller than 0.6, the effect of the G_A change to RN_1 was negative, and in 2015, 2016 and 2019, under the same value of C_t, this effect was positive.

Table 5

Dependence of the direction of G_A influence on RN_1 at different ratios of C_t to RN_0

Years	G_A	ΔG_A	$\Delta RN_1 (G_A)$ under $RN_0 = 0,6$							
			Ct	0,3	0,4	0,5	0,6	0,7	0,8	0,9
2012	0,595	-	-	-	-	-	-	-	-	-
2013	0,363	-0,231	-	-0,032	-0,021	-0,011	0,000	0,011	0,021	0,032
2014	0,133	-0,230	-	-0,045	-0,030	-0,015	0,000	0,015	0,030	0,045
2015	0,169	0,036	-	0,008	0,005	0,003	0,000	-0,003	-0,005	-0,008
2016	0,700	0,530	-	0,080	0,053	0,027	0,000	-0,027	-0,053	-0,080
2017	-0,029	-0,728	-	-0,132	-0,088	-0,044	0,000	0,044	0,088	0,132
2018	-0,090	-0,061	-	-0,021	-0,014	-0,007	0,000	0,007	0,014	0,021
2019	-0,060	0,030	-	0,010	0,007	0,003	0,000	-0,003	-0,007	-0,010

Thus, in this case there is a kind of dynamic lever, which shows that if the ratio of asset turnover and return on equity over the ratio of financial independence at the beginning of the period of increasing the value of assets will have a negative impact on financial stability.

Conclusions. Thus, the considered dependencies make it possible to thoroughly investigate the individual characteristics of the financial condition based on the relationship between their static and dynamic parameters. The ratio of asset turnover and equity characterizes the efficiency of use and formation the property structure of sources, as well as creates a basis for assessing the impact of qualitative indicators of business activity on financial stability. The study of the interdependence between the asset ratio to equity turnover (3) and the financial independence ratio at the beginning of the period revealed its relationship with the dynamics indicators, which can be described as the action of dynamic leverage. Depending on the value of this ratio (bigger or smaller one), the impact of property growth on financial stability will be negative or positive. This feature can be used both in retrospective analysis to study the relationship between efficiency and risk, and to predict financial stability.

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Штепенко Катерина Павлівна, старший викладач. **Свистун Людмила Анатоліївна,** кандидат економічних наук, доцент. **Крекотень Ірина Михайлівна,** кандидат економічних наук, доцент. Національний університет «Полтавська політехніка імені Юрія Кондратюка». **Планування ділової активності та оцінювання її впливу на фінансову стабільність підприємства.** На сучасному етапі розвитку підприємства як відкритої соціально-економічної системи актуальним залишається питання, наскільки існуючі методики аналізу фінансового стану задовольняють потреби користувачів з огляду на динамічність і багатогранність господарських процесів. Метою статті є обґрунтування релевантних залежностей між статичними та динамічними показниками фінансового стану, які відображають такі його характеристики, як ділова активність і фінансова стійкість. Виявлено функціональну залежність між динамічними показниками ділової активності та статичними показниками фінансової стійкості, обґрунтовано методику факторного аналізу фінансової стійкості. Визначено економічний зміст співвідношення показників оборотності активів та власного капіталу та встановлено характер його взаємозв’язку з динамікою активів. Теоретичним і практичним шляхом виявлено, що якщо співвідношення показників оборотності активів і власного капіталу більше за коефіцієнт фінансової незалежності на початок досліджуваного періоду, то позитивна динаміка вартості майна матиме негативний вплив на кінцеву фінансову стійкість підприємства, і навпаки, якщо це співвідношення буде меншим за коефіцієнт фінансової незалежності на початок досліджуваного періоду, вплив позитивної динаміки вартості майна на кінцеву фінансову стійкість буде позитивним. Запропоновано враховувати цю залежність як для ретроспективного факторного аналізу, так і для прогнозування фінансової стійкості.

Ключові слова: фінансовий стан, фінансова стійкість, ділова активність, фінансові коефіцієнти, оцінювання впливу, фінансове планування.

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JEL: M41, C13

Shtepenko Kateryna Pavlivna, Senior Lecturer. **Svystun Lyudmyla Anatoliivna**, PhD (Economics), Associate Professor. **Krekoten Iryna Mykhailivna**, PhD (Economics), Associate Professor. National University "Yuri Kondratyuk Poltava Polytechnic". **Business Planning and Assessment of Its Impact on the Enterprise Financial Stability.** At the present stage of the company development as an open social and economic system the question of how existing methods of financial analysis meet the needs of users considering the dynamism and complexity of business processes remains relevant. The purpose of the article is study relationships between static and dynamic indicators of financial condition, to reflect its characteristics such as business activity and financial stability. The article defines the functional relationship between dynamic business activity indicators and static indicators of financial stability, grounds technique of factor analysis of financial stability. The economic content ratio of the assets turnover and equity is defined. The nature of its relationships with the dynamics of assets is considered. Both theoretically and practically it is determined that if the correlation of ratio of asset turnover and equity is bigger than the ratio of financial independence at the beginning of the period under study, the positive dynamics of the property will affect the company’s final financial stability and vice versa, if the ratio is less than the rate of financial independence at the beginning of the period under study, the impact of positive dynamics of property on the final financial stability will be positive. It is proposed to consider this dependence both for factor retrospective analysis and for financial stability forecasting.

Keywords: financial condition; financial stability; business activity; financial ratios, impact assessment, financial planning.

ECONOMIC SECURITY OF UKRAINE AND ENTITIES

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ANALYSIS OF THREATS SPREAD OF UKRAINE FINANCIAL SECURITY IN A PANDEMIC

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Introduction. Ensuring the financial security of Ukraine is relevant, both from a theoretical and practical point of view, especially in modern realities, where there is an unstable development of the world economy due to a number of internal and external factors. This situation weakens the economic potential, hinders the modernization of domestic production and strengthens the competitiveness of the national economy. Along with many threats, large-scale corruption and the shadow economy stand out, which have a significant impact on the financial security of the state. As a result, the inflow of foreign investment remains extremely low, which significantly undermines the development of our country's economy.

In today's conditions, the level of financial security of Ukraine is significantly affected by the COVID-19 pandemic, which has become a challenge to financial security and a catalyst for real and potential threats with different levels of impact depending on industry characteristics that prevent profitable activities and functioning of individual businesses.

Many companies are forced to reduce production, supply chains are disrupted due to the inability to sell products or provide services in the usual volumes, which is why the negative effect of the current crisis related to the epidemic danger for the financial security of business is catastrophic. Therefore, the study of financial security of business and the state as a whole is timely and extremely relevant, given the fundamentally new challenges of the pandemic, which have the greatest impact on the functioning of business structures and the financial system of the state.

Review of recent research sources and publications. According to the results of generalization of the results of scientific research of Ukrainian and foreign scientists on the problems of financial security both at the state level and at the level of business entities, such as I. Blank, O. Baranovsky, Z. Varnaliy, V. Martyniuk, T. Vasyltsiv , I. Moiseenko and others, who formed the conceptual foundations of financial security, made a significant contribution to the study of threats to financial security of the state, it should be noted that despite the actualization of this issue, comprehensive study of the emergence, dissemination and search for mechanisms Counteraction to the negative factors influencing the security of the state and business structures and ways to minimize threats to Ukraine's financial security in the face of global challenges and fundamentally new threats caused by the COVID-19 pandemic has not yet been carried out.

Problem. From the point of view of ensuring financial security of Ukraine, the purpose of this study is to deepen theoretical provisions, improve methodological and practical recommendations for reducing the impact of corruption, economic shading and threats of the COVID-19 pandemic on the level of financial security of Ukraine and business.

Basic materials and research results. Modern economic realities convincingly show that the prospects, pace and general vector of socio-economic progress of national economies largely depends on the state of economic security of the state, in the system of which an important role is played by the financial component [1].

The latter is the degree of protection of financial interests of the state, the state of the banking, non-banking financial market, monetary, budgetary, currency, tax and debt systems, characterized by balance and resistance to internal and external threats, the state's ability to effectively generate and use sufficient financial resources. to meet its needs, by fulfilling obligations and ensuring socio-economic development [2].

Financial security can be considered at the micro and macro levels. At the micro level, the above-mentioned type of security includes financial security of households and financial security of enterprises. At the macro level, respectively, the financial security of the state is considered, which includes the already mentioned structural components [4].

From the standpoint of the protective approach, the key category of financial security is the threat, the source of which is the uncertainty caused by the properties of social phenomena and processes, in particular, the suddenness of their onset. The problem of defining the economic essence of the basic concepts of financial security, such as "challenge", "risk", "danger" and "threat", which distinguish economic and financial security from traditional economic theory and concepts of economic growth, where the emphasis is not on dangerous economic factors development, and on favorable terms, recognized as the engine of economic development, requires a separate generalization and systematization [9]. Destabilizing factors in the financial sphere are considered to be such phenomena or circumstances that, depending on the strength of the action, may adversely affect the financial condition of the business or the financial stability of the state, which will result in a decrease in financial security.

The threat to financial security is a set of negative security factors that make it impossible and / or hinder the stable functioning of the business entity or the state as a whole and need to be minimized by financial management and other financial security entities implementing preventive measures. As a result of the threat, there is a danger, which is characterized by destructive marginal changes in the financial system, caused by real losses from the threat.

Assessment of financial security at the national level is currently carried out in accordance with the Guidelines for calculating the level of economic security of Ukraine [6]. Based on them, the integrated indicator of financial security is calculated, which is also divided into 6 components. The assessment of financial security is carried out on a system of indicators. In addition, the already mentioned methodology defines not only the names of indicators that can stimulate and have a negative impact on the relevant safety, but also their threshold values (Figure 1).

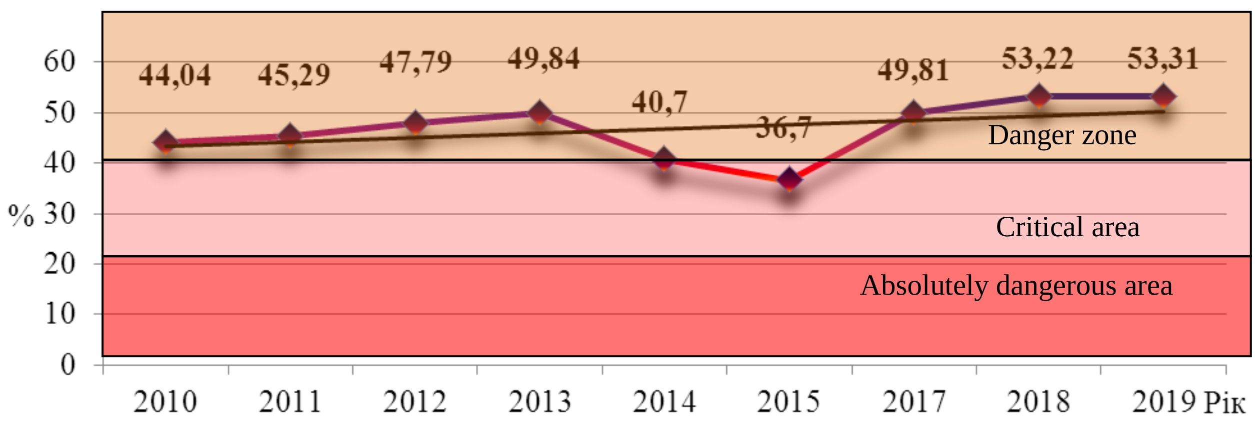

Fig. 1. Dynamics of the level of financial security of Ukraine for 2010 - 2019, %
Source: authors' calculations

During the analyzed period there is a low level of financial security of Ukraine, which is a negative trend. As of 2019, the value of 53.31% is higher than in recent years, but does not indicate an improvement in the financial condition of the state. However, finding the level in the danger zone is negative and needs to be clearly improved.

In modern conditions, the global challenge to financial security of business and the state as a whole is the COVID-19 pandemic, which is a catalyst for real and potential threats with the maximum level of impact on the financial condition and financial results of business entities. factor of formation of financial security of Ukraine and counteraction to real and potential threats should be paid special attention in today's conditions.

Corruption, which is not limited to individual countries and is gaining an international scale, remains no less a problem in Ukraine. And the fight against corruption is one of the most pressing social problems of our time, the solution of which is extremely difficult and important for many countries. For Ukraine, corruption has become a factor that really threatens the constitutional order of the state and its national security.

Corruption is a fairly common problem in every country, and our state is no exception. The imperfection of the legal framework, namely the inconsistency of regulations on the control of economic processes led to serious miscalculations in the initial stages of reforms in the first years of Ukraine's independence, weakening the state system of regulation and control, along with lack of effective public policy. national economy.

The Law of Ukraine “On Prevention of Corruption” defines corruption as the commission by an official who uses the official power granted to him and related opportunities, illegal benefit or promise / offer of such benefit to himself or others [7].

High levels of corruption are a factor influencing the level of financial security, as they have a negative impact on the population and the state as a whole. First of all, it is characterized by a lack of investment attractiveness and the presence of significant economic crime in all economic activities. The dynamics of the rating "Corruption Perceptions Index" shows that our state does not sufficiently develop measures to reduce corruption as a phenomenon that destroys the image of the country and its population in particular (Figure 2).

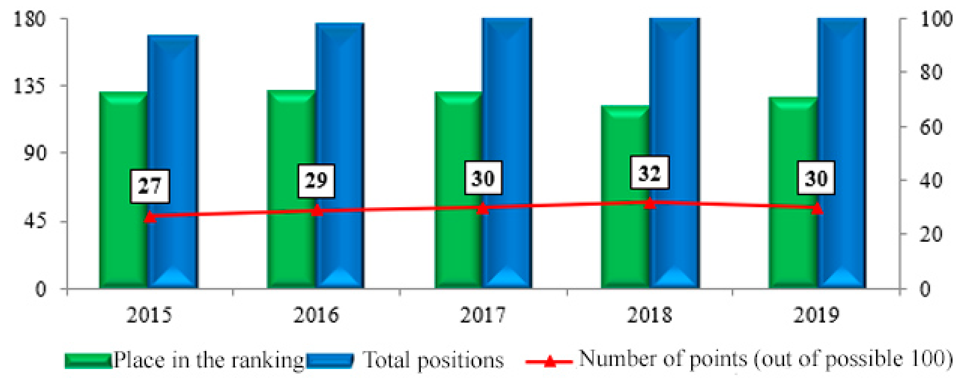

Fig. 2. Ukraine's place in the rating "Corruption Perceptions Index" for 2015-2019

Source: compiled by the authors based on [8]

Since the beginning of 2017, the process of reforms and the fight against corruption has actually been curtailed in Ukraine. The authorities not only reluctantly listened to the advice of civil society and international partners, but also actively opposed it. Over the past couple of years, it has ignored most of the recommendations, and some of them have been critical to the country, leading to a decrease in the country's scores in the rankings and a corresponding increase in its position among other countries.

The constant growth of the shadow sector of the economy poses a significant threat to the security of the national economy. The reasons for the expansion of the shadow sector of the economy are the growth of registered unemployment, which indicates an overflow of labor resources. The consequence of increasing such a threat is a gradual weakening of social protection and reduction of its economic activity together with a decrease in economic growth at the macro level [9].

Ghost economy is formed mainly due to the existence of economic crimes, which are now present in all spheres of Ukraine's economy. The rapid development of crime in the economy has a negative impact on society and the state as a whole. The complexity of the fight is that such crimes are constantly changing the ways and forms of illegal activity, which causes difficulties in detection and their latency [10].

According to preliminary calculations of the Ministry of Economic Development, Trade and Agriculture of Ukraine, at the end of 2019 the level of the shadow economy in Ukraine was 29% of official GDP (Figure 3).

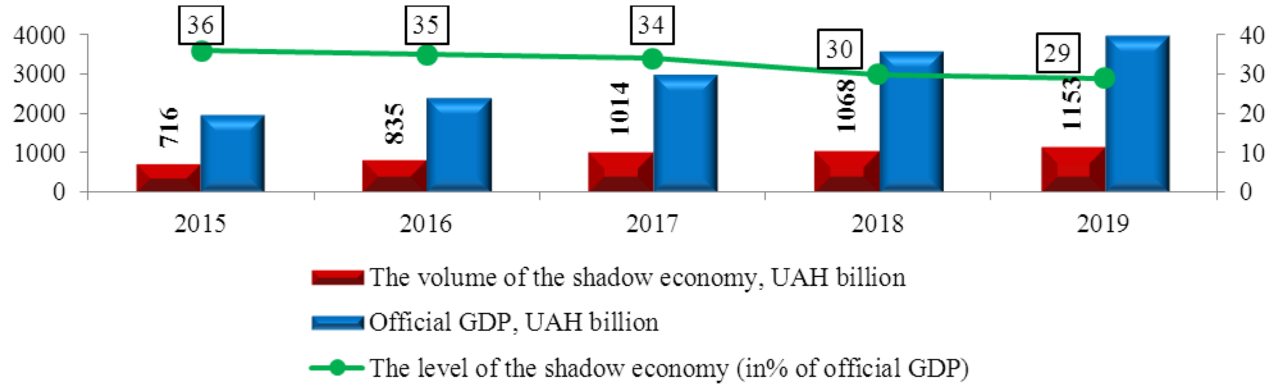

Fig. 3. The level of the shadow economy in Ukraine in terms of official GDP

Source: compiled by the authors based on [12, 13]

The data obtained by different methods of calculating the level of the shadow economy, clearly reproduce the behavior of individual market participants in different segments of the national economy (Figure 4).

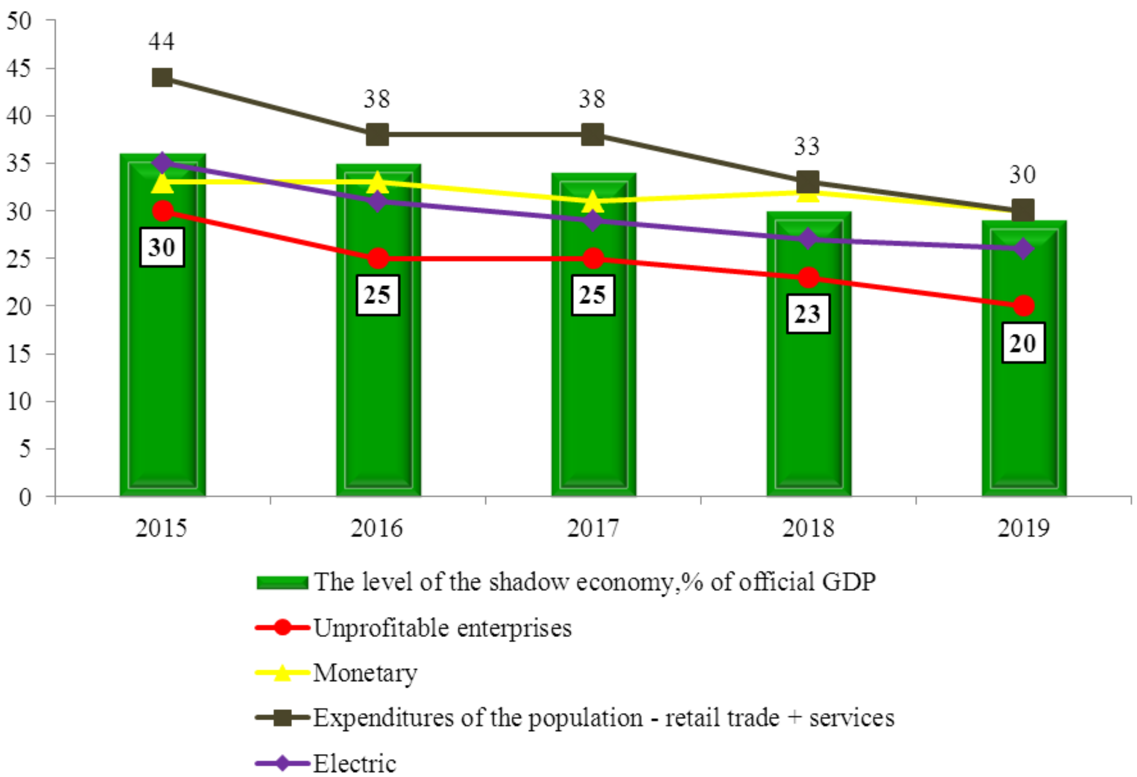

Fig. 4. Dynamics of the level of the shadow economy, calculated by different

Source: compiled by the authors based on [13]

As we can see from Figure 4, all the methods used to assess the level of shadowing of the economy, recorded its decline in 2019, compared to the previous period:

−method "population expenditure - retail trade + services" - for 3 centuries. n. (up to 30% of official GDP);

−electric method - for 1 n. (up to 26% of official GDP);
−monetary method - for 2 n. (up to 30% of official GDP);
−the method of unprofitable enterprises - for 3 n. (up to 20% of official GDP).

To substantiate the impact on the level of financial security of the state of shadow economy and corruption, it is important to investigate the interdependencies between indicators, so we use the tools of correlation and regression analysis.

First, a pairwise linear correlation coefficient is calculated to determine the strength of the relationship. The value of the correlation coefficient -0.68991. This indicates that during the study period there is a high degree of inverse linear relationship between the levels of financial security of Ukraine and the shadow economy. In this case, the calculated coefficient of elasticity is -0.91. That is, with the growth of the shadow economy by 1%, the level of financial security of Ukraine decreases by 0.91%.

The next step is to perform regression analysis. The coefficient of determination shows that the variation in the level of financial security is due to the variation in the level of the shadow economy by 47.6%

In general, according to the obtained results, the regression equation and its graphical interpretation has the following form (Figure 5):

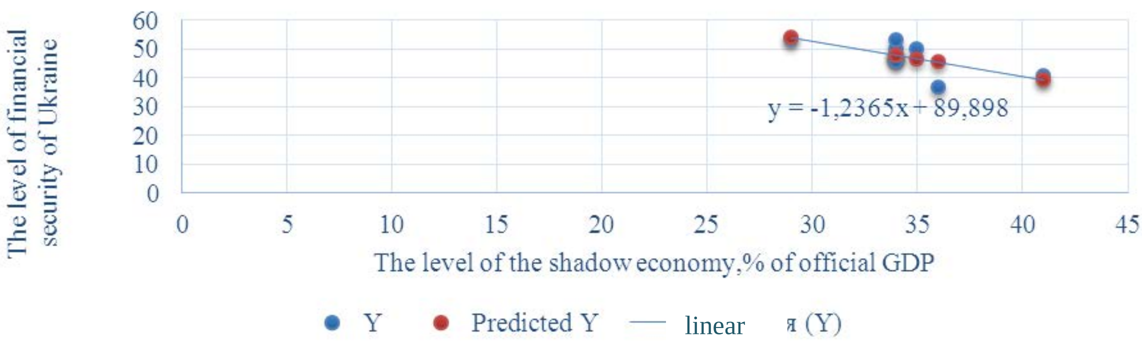

Fig. 5. Dependence of the level of financial security on the level of the shadow economy
Source: authors' calculations

The calculated pairwise coefficient of linear correlation, when conducting a study of the relationship between the level of financial security of Ukraine and the index of perception of corruption, showed a direct linear relationship.

The value of the correlation coefficient is 0.51999. The result of the regression analysis is evidence that the variation in the level of financial security is due to the variation in the level of corruption by 27.0% In general, according to the obtained results, the regression equation and its graphical interpretation are presented in Figure 6.

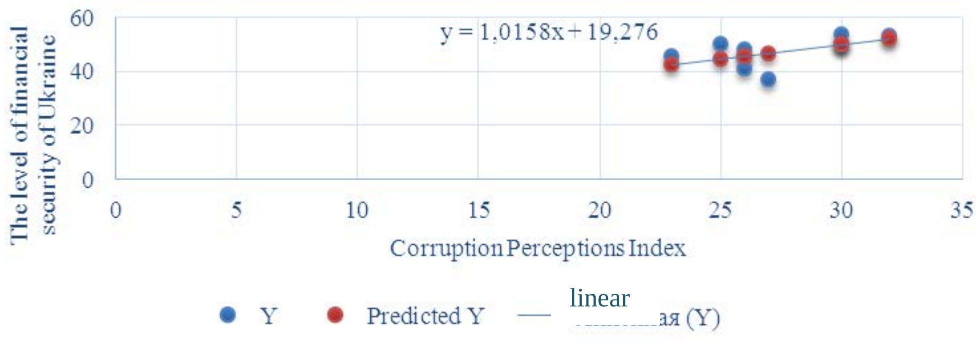

Fig. 6. Dependence of the level of financial security on the corruption perception index
Source: authors' calculations

Graphic interpretation of the dependence of the level of financial security of Ukraine on the index of perception of corruption confirms the direct relationship between indicators. The calculated coefficient of elasticity is -0.75. That is, with the growth of the corruption perception index by 1%, the level of financial security of Ukraine increases by 0.75%.

In conditions of instability, business entities face an acute problem of ensuring their financial security, as business activity by its economic nature is risky and associated with a significant number of opportunities on the one hand, and challenges - on the other, which are sources of threats to stable uninterrupted profitable activity of the enterprise and growth of its market value.

In modern conditions, the global challenge to financial security of business is the COVID-19 pandemic, which is a catalyst for real and potential threats with the maximum level of impact on the financial condition and financial performance of businesses, therefore ensuring financial security as a key element and financial security business and countering real and potential threats should be given special attention in today's environment. Assessing the dynamics of key macroeconomic indicators and indicators of economic statistics on business development in Ukraine, it should be noted that almost all sectors of the national economy suffered from the crown crisis due to declining business activity, while the dynamics of the country's overall economic development - real GDP in Ukraine in 2020, as in most countries, is negative compared to the same indicators in 2019, as shown in Figure 7. Thus, the most significant decline in the economy occurred in the second quarter of 2020 - by 11.4% compared to growth of 4.7% in in the same period in 2019 and 3.9% in 2018.

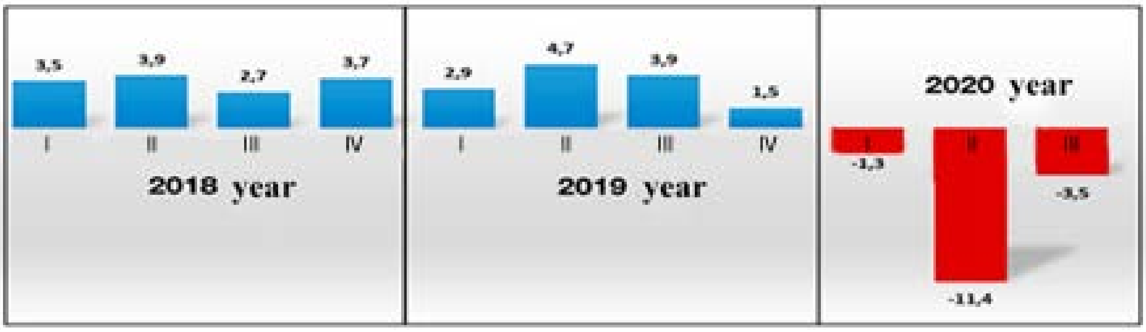

Fig. 7. Dynamics of real GDP of Ukraine in 2018 - 2020, in% to the corresponding quarter of the previous year

Source: complicated by authors based on [12]

In 2020, one of the main factors influencing economic processes was the spread of the COVID-19 pandemic and the introduction of quarantine restrictions in most countries. The most difficult in the second quarter of 2020 was April - the period of the most severe quarantine measures.

However, the subsequent easing of quarantine restrictions in Ukraine contributed to the gradual resumption of business activity. According to the NBU, the index of business activity expectations in June 2020 was 45.5 points compared to 29.9 points in April 2020 (a record low) and 45.8 points in March 2020. Accordingly, since May we have a decrease in the depth of decline of most economic activities.

Ukraine, like other countries, is experiencing a significant negative impact of the global pandemic, reduced global demand and quarantine measures introduced within the country. In turn, all these factors, despite government support measures, led to a deterioration in the financial security of business, which was reflected in its main indicators, in particular in 2020 there was a sharp reduction in the number of registered businesses - more than a quarter compared to 2019 from 1.942 million to 1.395 million (Figure 8).

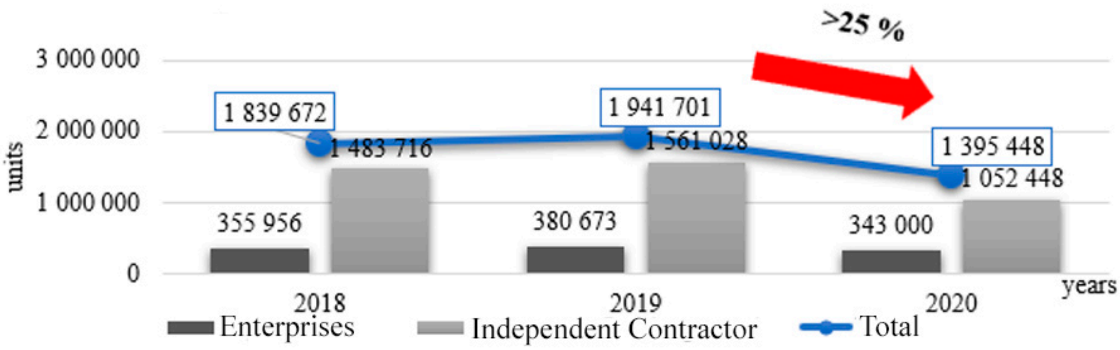

Fig. 8. Quantity of registered business entities in Ukraine in 2018-2020

Source: compiled by the authors based on [14]

With the beginning of quarantine, small and medium-sized businesses in Ukraine, especially those involved in services, entertainment and food, had to cease their activities. Some businesses have been able to move to other forms of work, but such restructuring has led to significant staff reductions (Figure 9).

Fig. 9. Number of officially registered unemployed in Ukraine in 2019 and 2020, thousand people

Source: compiled by the authors based on [15]

Some businesses, due to quarantine restrictions, made redundancies or went on vacation at their own expense. At the same time, in June the number of unemployed began to decline compared to May and April. In general, this is a seasonal phenomenon, and the fact that this year the trend has not been broken, indicates a gradual return of the economy to the "usual" order of affairs.

Profitability of operating activities is one of the main indicators of financial security of business, which shows the efficiency of production and sales and can be positive even in the presence of net loss.

Most enterprises have positive values of this indicator for the studied 2019. However, in 2020 the figure drops to 50.0%. That is, the production of half of the surveyed entities is unprofitable (Figure 10).

Unprofitable enterprises, the presence of uncovered losses of previous years, low profitability hinders the preservation of financial stability and a sufficient level of financial security of business, increases business risk, reduces investment attractiveness, harms the corporate image. Lack of profits and high costs, which leads to low profitability, does not allow the company to meet the needs of employees in the appropriate level of wages and social security.

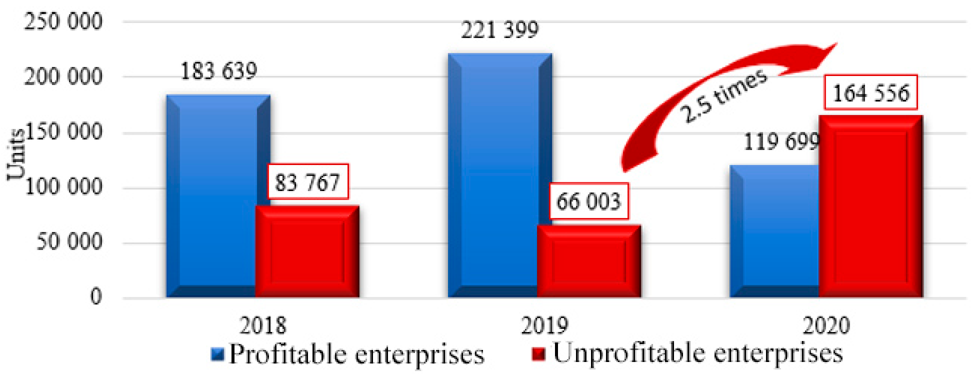

Fig. 10. The ratio of profitable and unprofitable enterprises of Ukraine in 2018-2020

Source: compiled by the authors based on [12]

Having analyzed in detail the actions of governments, it can be noted that the Ukrainian government has eased external pressure on business by providing some benefits and discounts, as well as minimum wage compensation for employers, however, this will usually not be enough to support small and medium business in Ukraine in the conditions of the maximum influence of global challenges and threats. All these measures should somewhat reduce the burden on Ukrainian business, but, in our opinion, this will not significantly affect the overall decline in business activity and will not compensate for the significant loss of profits.

Adaptive management in the face of real threats will not only minimize financial risks for business, but also create a foundation for further business development in the post-crisis period, when the impact of the threat will be reduced. The modern realities of business should be based on a new communication strategy, based on constant communication between the company's employees, and all decisions should be agreed and promptly communicated to colleagues, which is extremely important for the effective evolution of business in the face of existing challenges.

Conclusions. The modern paradigm of security shows that financial security is a component of economic security of the state and occupies an important place in its structure. Given a sufficient level of financial security at the macro level, stable development of the financial potential of the state is ensured.

It is established that the shadow economy of Ukraine is due to the instability of the economic environment, the lack of appropriate favorable conditions for business entities for further successful business development within the legal economy, the creation of which is an urgent task of the state. As for corruption, this phenomenon is observed in all spheres of employment of the national economy, thus generating constant economic crime.

It was found that the main reason for the growth of corruption is that officials consider their positions as a tool for personal gain, and control over the actions of such persons by law enforcement agencies is insufficient. The main preconditions for a high level of shadowing of the economy are inefficient institutional basis for business regulation, bureaucratization of the state apparatus, instability of tax legislation, inefficiency of the judiciary and law enforcement agencies and unsatisfactory conditions for doing business.

The integrated level of financial security of Ukraine is analyzed according to 32 indicators for determining the level of financial security of the state. The level of financial security of Ukraine is in a dangerous zone and needs to be clearly improved. The relationship between the level of financial security of the state and the levels of the shadow economy and corruption has been studied using correlation-regression analysis. The value of the correlation coefficient indicates a high degree of direct linear relationship between the level of financial security of Ukraine and the level of the shadow economy, whereas the shadow economy increases, the level of financial security decreases significantly. In the process of assessing the impact of corruption on the financial security of the state, an inverse relationship has been established, which is characterized by the fact that when corruption decreases or the index of its perception increases, the level of financial security increases accordingly.

The development of business and ensuring its target parameters of financial security in a crisis will minimize the negative impact of modern threats associated with quarantine restrictions, both at the level of individual regions and the country as a whole; ensure the rational use of all types of resources, including financial; will form a competitive environment in business in the post-crisis period; provide incentives for the introduction of information and communication technologies and innovation processes in the framework of the fourth industrial revolution and the digitalization of the economy and highly efficient activities of the country as a whole.

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Онищенко Світлана Володимирівна, доктор економічних наук, професор. **Маслій Олександра Анатоліївна**, кандидат економічних наук, доцент. **Каленіченко Євгеній Сергійович**, студент. **Котелевець Марина Миколаївна,** студентка. Національний університет «Полтавська політехніка імені Юрія Кондратюка». **Аналіз поширення загроз фінансовій безпеці України в умовах пандемії.** Висвітлено теоретичні засади фінансової безпеки та її місце в загальній системі національної економіки. Обґрунтовано, що з позицій захисного підходу ключовою категорією фінансової безпеки є загроза, джерелом якої є невизначеність, що обумовлена властивостями суспільних явищ і процесів, зокрема, раптовістю їх настання. Розкрито економічну сутність загроз і схарактеризовано їх вплив на фінансову безпеку бізнесу. Досліджено основні деструктивні чинники впливу тінізації економіки та корупції на фінансову безпеку й виокремлено причини їх поширення в Україні. Проаналізовано тенденції рівня фінансової безпеки в контексті порівняння його з нормативними значеннями. Доведено, що в сучасних умовах глобальним викликом фінансовій безпеці бізнесу та держави в цілому є пандемія COVID-19, яка є каталізатором реальних та потенційних загроз з максимальним рівнем впливу на фінансовий стан та фінансові результати діяльності суб'єктів бізнесу. Розглянуто корупцію та тіньову економіку за різними методичними підходами, а також на основі кореляційно-регресійного аналізу. Визначено взаємозв'язок впливу корупції й тіньової економіки на рівень фінансової безпеки України. Виявлено високу ступінь оберненого лінійного взаємозв'язку між рівнями фінансової безпеки України та тіньової економіки й корупції. Проаналізовано та надано оцінку впливу загроз на фінансову безпеку бізнесу в Україні в умовах пандемії. Доведено, що розвиток бізнесу та забезпечення його цільових параметрів фінансової безпеки в умовах кризи дозволить мінімізувати негативний вплив сучасних загроз, пов'язаних із карантинними обмеженнями. Визначено пріоритетні напрями мінімізації загроз фінансовій безпеці бізнесу в умовах епідемічної небезпеки. Доведено, що адаптивне управління в умовах реальних загроз не тільки забезпечить мінімізацію фінансових ризиків для бізнесу, але і створить фундамент для подальшого розвитку бізнесу в посткризовий період, коли вплив загрози буде зменшений.

Ключові слова: фінансова безпека, корупція, тіньова економіка, безпека бізнесу, виклик, загроза, пандемія.

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Onyshchenko Svitlana, Doctor of Economics, Professor. **Maslii Oleksandra**, PhD in Economics, Associate Professor. **Kalenichenko Yevhenii**, student. **Kotelevets Marina**, student. National University «Yuri Kondratyuk Poltava Polytechnic». **Analysis of Threats Spread of Ukraine Financial Security in a Pandemic.** Theoretical principles of financial security and its place in the general system of the national economy were covered. It is noted that from the standpoint of the protective approach the key category of financial security is the threat, the source of which is the uncertainty caused by the properties of social phenomena and processes. The economic essence of threats was revealed and their impact on the financial security of business was characterized. The main destructive factors of the shadow economy and corruption on financial security were studied and the reasons for their spread in Ukraine were highlighted. Trends in the level of financial security in the context of comparing it with regulatory values were analyzed. It is proved that the global challenge to financial security of business and the state as a whole is the COVID-19 pandemic, which is a catalyst for real and potential threats with the maximum level of impact on the financial condition and financial results of business entities in modern conditions. Corruption and the shadow economy were considered according to different methodological approaches, as well as on the basis of correlation-regression analysis. The relationship between the impact of corruption and the shadow economy on the level of financial security of Ukraine has been determined. A high direct linear relationship between the levels of financial security of Ukraine and the shadow economy and corruption was detected. The impact of threats on the financial security of business in Ukraine in a pandemic was analyzed and assessed. It is proved that development of business and ensuring its target parameters of financial security in a crisis would minimize the negative impact of modern threats associated with quarantine restrictions. The priority directions of minimization of threats to financial security of business in the conditions of epidemic danger were defined. It is proved that adaptive management in the face of real threats can minimize financial risks for business and create a foundation for further business development in the post-crisis period, when the impact of the threat would be reduced.

Key words: financial security, corruption, shadow economy, business security, challenge, threat, pandemic.

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AREAS OF CONCERN OF THE TOURISM ACTIVITIES IMPLEMENTATION

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Introduction. Ukraine has completely reoriented its activities, directing its development vector towards integration into the world economy at present time. Tourism increasingly plays an important role in social and economic development of Ukraine. Herewith, Ukraine remains at the lowest positions in the world rating of the tourism market. It is caused by imperfect legal frameworks, which suppose to ensure the implementation of its tourism policy by the government, as well as complex and ambiguous tax policy, lack of infrastructure necessary to meet the relevant needs of population.

Nowadays, tourism sector suffers losses as a result of measures to prevent the COVID-19 pandemic around the world. At the same time, the situation should be considered not only as a concern, but also as an opportunity to bring the tourism sector to qualitative new level on the territory of Ukraine. Since, in the context of global crisis and pandemic due to the COVID-19 virus spread, the competition for the tourism product consumer becomes even tougher, this prompts the business entities of the above industry to reconsider the approaches and tools for quality and content of their tourism services, to find new effective forms and methods how to attract the tourist in an innovative, modern, competitive, that meets the requirements of modern tourist services [1, p. 134].

Review of the latest research sources and publications. Problems of development and improvement of the tourism sector were considered by many scientists, in particular A. Liubitseva, O. Beidyk, V. Kifiak, O. Ilina, A. Oleksandrova, V. Kvartalnov, I. Kolesnikov, I. Zorin, M. Malska, E. Pankov, V. Khudolii and others. However, the problem of improving the organizational and legal aspects of the tourism development policy still requires a solution, which determines the relevance of this research.

Objective setting. The object is to consider and research the main areas of concern of the tourism activities implementation in modern conditions.

Main material and results. Legal regulation of tourist activity in Ukraine is carried out under the legal acts system based on the Constitution of Ukraine [2], international legal acts on tourism, special laws and by-laws that play the main role in tourist activity organization. The basis of tourist activity legal regulation in Ukraine is the Law of Ukraine “On Tourism”. It contains legal, organizational and social and economic foundation for the implementation of the national policy of Ukraine in tourism. It stipulates the foundations for the rational use of tourism resources and regulates relations related to the organization and implementation of tourism in Ukraine. In addition to this law, tourism relations are also regulated by the Law of Ukraine “On Foreign Economic Activity” dated April 16, 1991, No. 959-XII, the Law of Ukraine “On Consumer Rights Protection” dated May 12, 1991, No. 1023-XII, the Law of Ukraine “On Natural Environment Protection” dated June 25, 1991, No. 1264-XII, the Law of Ukraine “On Business Entities” dated September 19, 1991, No. 1576-XII, the Law of Ukraine “On the State Border of Ukraine” dated November 04, 1991, No. 1777-XII, the Law of Ukraine “On the Natural Reserve Fund of Ukraine” dated June 16, 1992, No. 2456-XII, the Law of Ukraine “On the Procedure for Exit Ukraine and Entrance the Ukraine for the Ukrainian citizens” dated January 21, 1994, No. 3857-XII, the Law of Ukraine “On the Settlement Procedure in Foreign Currency” dated September 23, 1994, No. 185/94-BP, the Law of Ukraine “On Insurance” dated March 07, 1996, No. 85/96-BP, the Law of Ukraine “On Commercials” dated July 03, 1996, No. 270/96-BP, the Law of Ukraine “On Resorts” dated October 05, 2000, No. 2026-III, the Law of Ukraine “On Types of Economic Activities Licensing” dated March 02, 2015, No. 222-19 [3].

Further, the specifics of resorts activities organization on health-improving lands are provided for by the Law of Ukraine “On Special Economic Zone of Tourist and Recreational Type “Kurortopolis Truskavets”, “On Environmental Protection”, etc. These regulations define what can be considered as recreational area, including land and water aimed at entertainment for the population and tourism.

The legislation acts of Ukraine that regulate tourism activities also include the Law of Ukraine “On Culture”, “On Museums and Museum Business”, “On the Protection of Cultural Heritage”, “On the Export, Import and Cultural Property Return”, “On the Protection of Archaeological Heritage”, the Strategy for the tourism and resorts development for the period up to 2026, approved by the order of the Cabinet of Ministers of Ukraine dated March 16, 2017 [4].

However, despite such a large number of regulatory legal acts that may resolve areas of concern of the tourism sector and contribute to its development, part of income from the tourism services provision in Ukraine still does not reach 1% in GDP, while it can be up to 10% of GDP in countries where the tourism sector is well developed [5].

Ensuring the sustainable development of tourism should be based on the modernization of the infrastructure of tourism and resort and recreational areas. To this end, it is necessary to introduce a special investment system to facilitate the construction and reconstruction of hotels and other tourist infrastructure, which will encourage domestic and foreign investors to invest in the tourism industry. At the same time, the practice of direct financing from the state and local budgets of activities aimed at the development of tourist infrastructure, forest and mountain recreation areas, public beaches, observation decks, tourist information centers, road information stations, etc. should be introduced.

The conditions for the development of regional tourism are a clear division of power between central and regional sectoral authorities, as well as between the executive and local governments. It is appropriate to authorize local governments in the development of local tourism: to create regional tourism companies, tourism information centers, build infrastructure, attract investment and more.

It is also worth noting that often leads to controversial situations of legal gaps and contradictory legal norms, insufficient development of the conceptual framework, and sometimes even the lack of legal norms governing the relationship of entities in the tourism sector (and this despite the fact that the formation of an effective mechanism for regulating tourism is an important condition for ensuring the development of the tourism industry of Ukraine).

Currently in Ukraine, the legal mechanisms of state regulation of the tourism sector are being intensified, i.e. new laws are being introduced and necessary changes are being made to existing regulations in order to bring them in line with international standards in the field of tourism. The Law of Ukraine «On Tourism» [6] provides general organizational and socio-economic principles for the implementation of Ukrainian national policy in the field of tourism, however, despite the fact that the Law "On Tourism" became the legal basis for regulating relations in tourism, development of regional tourism legislation is very relevant. The adoption of legal acts is due to means of realization of national policy in the field of tourism, which also affects the development and expansion of the subject of legal regulation, as a tourism activity is acting.

It is obvious that in the issue of reorganization and development of tourism without the active support and direct intervention of the state to talk about the functioning and improvement of tourism is extremely difficult or even almost impossible. Therefore, the Cabinet of Ministers of Ukraine approved the National

Tourism Development Plan for 2002-2010, which provided that the central executive body responsible for formulating national policy in the field of tourism and resorts should annually allocate funds from the state national budget of Ukraine to implement this plan. The plan provided for the implementation of a number of measures to improve the management of the tourism industry, development of relevant regulations, accumulation at various enterprises of the tourism industry necessary for structural changes of financial and human resources, strengthening the existing logistical base, improving the statistics system, creating conditions for investment projects. [7].

At this stage, the Cabinet of Ministers of Ukraine has approved a strategy for the development of tourism and resorts until 2026, which, in addition, determines the main means of implementation in the direction of "Regulatory framework for tourism and resorts" [4]. Taking into account the experience of EU tourism countries [8, 9, 10], we should note that the implementation of EU legislation in the field of tourism and resorts contributes to the improvement of tourism legislation. In this direction, first of all, it is necessary:

– develop proposals for amendments to the Laws of Ukraine "On Tourism" and "On Resorts";

– prepare draft laws on the introduction of the institution of self-regulation in the field of tourism (creation of a national tourist organization);

– work on visa liberalization and visa facilitation for tourists from countries in the strategic partnership of Ukraine;

– bring existing and conclude new interdepartmental and intergovernmental agreements on cooperation in the field of tourism and resorts;

– develop and approve procedures for the establishment and liquidation of tourist missions of Ukraine abroad;

The harmonization of national standards in the field of tourism and resorts with international standards should help improve the quality of the national tourism product through:

– ensuring the activities of technical committees of standardization with the involvement of tourism market participants, employers' organizations and public associations in the field of tourism and resorts;

– introduction of the international system of quality of services on priority directions for our state;

– implementation of definition and provision of typification and specialization of resorts.

Liberalization and effective supervision of tourism businesses should be carried out by: revoking the licenses of tour operators and introducing alternative mechanisms for effective monitoring of tour operators and other actors in the tourism market; organization of activities and support of national tour operators and creation of favorable conditions in the field of tourism and resort for small business.

It is worth noting that the travel business is unique in that it provides a full range of travel products for different types of services: transportation, food, accommodation or consular services. Therefore, the legal regulation of tourism is complex, as relations between the subjects are governed by different branches of law. This, in fact, has led to the emergence of a large number of regulations governing tourism. Trying to count the number of regulations related to the tourism industry, we have accumulated about 200 regulations that have created a national system of tourism regulation [11, p. 126]. However, despite so many regulations, there are still many unresolved issues in the tourism industry.

It is also worth noting that the comforting prospects for the development of the tourism industry directly depend on the strengthening of state regulation of tourism at both national and regional levels, without violating existing strategies for promoting regional tourism plans.

The tourism industry is a specific complex object of management, effective management of which is based on taking into account the sectoral nature and problems of economic transformation, the formation of competitive advantages that allow, on the one hand, to provide ample opportunities to meet the needs of domestic and foreign citizens, and on the other – make a significant contribution to the development of the national economy [12].

Tourism management, first, must be carried out in compliance with the principles of constitutionality, legality and transparency. The main tools of the legal mechanism for regulating tourism relations should be regulations of the state and local governments.

Secondly, it is necessary to emphasize the details of the formation of the legal framework for tourism – it is complex in nature, as it contains legal norms on the affiliation of many different industries, such as constitutional, administrative, civil, environmental, economic, financial, tax, labor, customs.

Third, despite the active formation of legislation in Ukraine, its impact on key indicators of increasing tourist activity is not felt. Imperfection of regulatory and legal support and lack of effective legal mechanism of state regulation of tourism in Ukraine, lack of the main strategy for the development of the Ukrainian tourism industry and economic model of inbound and domestic tourism, the need to improve licensing, technical standardization, certification and statistics – all this the need for further research in this area.

Also in Ukraine it would be expedient to create an organization that would coordinate the actions of tourism practitioners and executive and legislative bodies. It should ensure the flow of tourist information, develop a national tourism development program and inbound tourism promotion programs, which would provide tax benefits, simplify border and customs regimes, create favorable conditions for investment, increase budget allocations for infrastructure development, advertising on outdoor markets, training of qualified personnel. In general, tourism is the most active sector of services, a special type of consumption of material and spiritual goods, services and goods, which are gradually separated into an independent sector of the economy [13, p. 45].

Given today's conditions, it is time to create optimal, rational and profitable for tourism business regulations. After all, all socio-economic changes must be reflected in Ukrainian legislation and implemented through the management of the relevant special state body, which would seriously take care of tourism.

Tourism management should be aimed not only at achieving a positive effect from the implementation of tourism functions and eliminating possible threats to the industry, but should also provide an opportunity to assess the impact of related environmental factors, which together should create favorable conditions for tourism development of Ukraine.

Public tourism management should be understood as targeted impact on the industry or its individual components through an effective public administration mechanism to achieve certain strategic objectives, which means targeted impact on tourism or its various components through effective public administration mechanisms to achieve certain strategic goals. Only in this case we can hope for the development of the tourism industry of Ukraine.

It is worth to note that modern system of tourism management at the regional and local levels in the context of decentralization of power in Ukraine also remains disordered, built on personal and lobbying basis, has an uneven staffing structure, insufficient funding, as well as misuse of available funds. The tourism management system at the regional and local levels depends on the human factor and is highly unstable to the impact of political changes. That is why, in the context of decentralization of power, it is necessary to create a method that will work effectively even with minimal budgeting for the tourism industry, different number of workers in this area and will ensure a high level of their professionalism. This can be achieved through the creation of tourism departments at the regional and local levels; training, specialization and advanced training of the professional community of specialists in management for the tourism sector and development of qualification requirements for them; improvement of legislation in public and private partnerships for the purposes to adapt foreign experience of private and partner consortia engaged in marketing, business consolidation, as well as proactive implementation of the world experience of state participation models in organizing and regulating the tourism industry development at the regional level [14].

Conclusions. Current management conditions require form administration bodies to make informed management decisions not only at the national or regional level but also at the local level. Bodies approving them can have the status of both non-governmental and governmental bodies, but effective cooperation with them will help to exchange experience, to implement joint projects and to improve tourism infrastructure. Tourism effectiveness directly depends on effectiveness of the central executive body dealing with tourism in the tourism industry, its organizational support and implemented tourism policy. Such management shall be improved based on world experience and peculiarities of tourism development in the region and throughout Ukraine.

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влади в Україні далека від досконалості. Акцентовано увагу на необхідності імплементації законодавства ЄС у сфері туризму й курортів, що сприяє вдосконаленню законодавства про туризм. Розроблено рекомендації щодо впровадження механізмів розвитку туризму країни.

Ключові слова: туризм, туристична галузь, туристична послуга, туристична політика, правове регулювання туристичної діяльності.

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Key words: tourism, tourism industry, tourism service, tourism policy, legal regulation of tourism activities.