

FINANCIAL DEVELOPMENT OF ENTERPRISES AND WAYS OF IT PROVIDING

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Current economic conditions are characterized by dynamic business environment. Efficient operation of the business and achievement of its strategic goals is possible with development and adaptation to change. Development of a company provides not only its competitiveness, but also provides the basis for economic growth.

Implementation of development processes in the enterprise requires adequate funding and implementation of modern methods financial support of development.

Research is determined by the need to apply modern methods of financial management to ensure the effective development of enterprises [1].

F. Kotler stated, «companies must evolve,» that is, to move from the current state to the planned future state [2].

In terms of economy, development is a combination of progressive and regressive, managed and unmanaged processes taking place in the economy at the micro and

macro levels and result in natural, high-quality, irreversible changes that occur in economic systems and among participants in such systems [3].

The research questions and problems of financial enterprises were highlighted by V.Gerasymchuk, I. Blank, R. Ackoff, I. Kononenko, I. Dem'yanenko, A.Rayevnyeva, J.D. Duck, H. Tom, G. Osipov and others.

Scientists involved in this issue, distinguish and consider two basic modes of existence of any system (and, consequently, the company, which is a complex socio-oriented system): development and functioning. Many changes occur in the enterprises as a result of improvement or rationalization, but not every change can be considered as measures that contribute to the development [1].

Y. Pogorelov critically analyses the approaches of researchers to the definition of the term, the types of development, differences between the movement and development, identifies the elements or components of the definition of the enterprise development. The author interprets the «development» as «a set of long-term processes of quantitative and qualitative changes in the company, which determine the improvement of its condition by increasing the capacity of enterprises to adapt to the external environment and internal integration that enhances the ability of the enterprise to counteract the negative effects of the environment and its sustainability».

The components of the concept are: quantitative and qualitative changes, adaptation to the environment, a set of processes, long duration, increase of the capacity of enterprise, etc. [4].

The sign of a balanced financial development is to ensure financial balance of the enterprise, as evidenced by the corresponding values of financial stability, solvency and efficiency of financial and economic activity.

Financial equilibrium is a characteristic of financial activity, in which the needs of increasing company's assets are balanced with its potential for the formation of his funds from their own sources.

Therefore, a balanced financial development enterprise consists of the following elements: balancing financial and general corporate strategies; balance of assets and capital; balance of the level of assets profitability and the cost of capital; balance of cash flows; balance of the level of assets profitability and the level of financial risk.

Ways of financial development are ensured by certain functions. They are:

- development of the financial strategy of the enterprise;
- creation of organizational structures to ensure the adoption and implementation of management decisions in all aspects of financial activity;
- developing effective information systems that provide justification for alternatives of administrative decisions;
- analysis of various aspects of financial activity;
- implementation of planning financial activity;
- development of the current system of incentives implementing the management decisions in the financial sector;
- effective monitoring of the implementation of management decisions in the financial sector [1].

Thus, the financial development of the company is an important part of its development, because all development processes require adequate funding. In turn, this requires the introduction of the financial support of development, which is realized through carrying out special functions described above. The target function of the management is to increase the market value of the company.

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