
ANNOTATION

Alina Zhukovska

An inclusive approach to economic development: genesis and key points

Abstract

Introduction. For a long time, the world academic community has been in search for ways, methods, tools and techniques of driving economic growth. The current trends in economic studies have made researchers admit that market economy is unable to solve the key social problems, and that economic growth is not enough for the fully-fledged development of the country. Therefore, discussing the concept of inclusive economic development is currently of great importance.

Purpose. The purpose of the article is to examine the genesis of the concept of inclusive economic development, to highlight its main theoretical foundations, to study methods of calculating inclusive development index (IDI), and analyse the countries ranking under the IDI.

Methods. The following general and special methods are used to achieve the purpose of the research paper: induction and induction, logical generalization, analysis and synthesis, comparison, grouping.

Results. The paper provides a rationale for the concept of inclusive economic development, its genesis and chronology. The conceptual framework for inclusive economic development is examined through the lens of the key terms used in the research. The distinctive nature of aims for inclusive growth compared with those of economic growth is illustrated. A new indicator of the growth rate estimation in the economy – inclusive development index (IDI) – is analyzed as well as the main groups of indicators that are used to calculate the former. The countries ranking under the IDI and countries rating under the GDP per capita are compared. The position of Ukraine in the ranking of countries under the IDI is analyzed. The reasons that led to a low position of Ukraine in the overall ranking of countries are formulated.

Key words: inclusive development, inclusive growth, economic growth, inclusive development concept, inclusive development index.

Formulas: 0 , fig.: 1 , tabl.: 1, bibl.: 41.

Oleksandr Bielov

Human resources as an integral part of Ukraine's scientific and technical capacity: features of dynamics

Abstract

Introduction. Since fulfilling the potential of scientific and technical capacity is viewed as an essential source of innovations, it is considered to be the basis of the innovative development of national economy. In this context, human resources constitute the most important asset for the growth of scientific and technical capacity. The object of research is to examine scientific and technical capacity of Ukraine's regions, while the subject of study

is to focus on changes in the number of research and engineering personnel in Ukraine's regions.

Purpose. The aim of the article is to identify specific features of the dynamics as well as its characteristics and critical points of such changes.

Methods. The author has proposed and defined a method that applies analysis of acceleration of absolute growth.

Results. Based on the method, the key ratios of acceleration to absolute growth of main indicators considered and their economic features have been determined.

The paper examines the number of research and engineering personnel engaged in R&D work in Ukraine and its dynamics from 1995 to 2017. The paper also provides an analysis of short-term and long-term dynamics of ratios of acceleration to absolute growth. Their characteristic features and critical points are identified.

Key words: scientific and technical capacity, strategic development, innovations, R&D, research and engineering personnel.

Formulas: 3, fig.: 0, tabl.: 6, bibl.: 16.

Viktoriia Melnyk

Specific features of government regulation of Ukraine's agriculture market

Abstract

Introduction. The necessity of government regulation of Ukraine's agriculture market is determined by the unique features of Ukrainian agricultural sector and its significance for the food safety. The structural transformations of the internal and external environments have had a major impact on the development of agriculture and the national economy as a whole. Since the current challenges are getting deeper in the conditions of globalization processes, the research of this issue is of relevance.

Purpose. The purpose of the article is to provide a rationale for theoretical, methodological and strategic principles of government regulation of agriculture at this point of time.

Methods. The theoretical and methodological framework of the study includes the dialectic method of thinking and a holistic integrated approach to the issue of government regulation of Ukraine's agriculture market. The methods of deduction, analysis and synthesis are used to study the concepts of government regulation of agriculture market and its basic components, namely, market, government, regulation, agricultural products. Analysis and monographic method are used to identify specific features of government regulation of agricultural production with respect to international practices of government regulation. Logical grouping is applied for describing the key trends in the development and support of agricultural sector.

Results. The article systematizes and describes specific features of government regulation of agriculture market with regard to its main components, namely, market, government, regulation, agricultural production. The author considers the factors that determine distinctive features of government regulation of agriculture in Ukraine, taking into account world experience in government regulation. Within the context of discussing government regulation of agriculture market, special attention is drawn to government investment and innovation policy. The strategic areas of government regulation of agribusiness operation and development are described. The paper suggests ways of improving government performance and increasing its efficiency in enhancing Ukraine's agricultural production. It

is determined that government regulation of agricultural production is implemented through a set of measures that are aimed at promoting better conditions for producing agricultural goods. At present, the main areas of development and support for the agricultural sector by the government and the key goals of government regulation of agriculture include: quality assurance and competitiveness of domestic agricultural production; conservation and restoration of natural resources; creation of an effective market and development of its infrastructure.

Discussion. The article claims that further studies should be aimed at seeking innovative techniques of institutional transformations, which create a basis for effective agriculture market.

Key words: agriculture market, government regulation, development policies in the agribusiness sector, world experience in government regulation.

Formulas: 0, fig.: 0, tabl.: 0, bibl.: 17.

Tetiana Kizyma, Andrii Kizyma

Identifying causes and potential consequences of financial fraud

Abstract

Introduction. The article claims that due to the rapid growth of financial relations, advancement of globalization processes, the impact of IT and the Internet on financial performance, the number of economic crimes in Ukraine has increased recently, especially financial fraud offences. The authors provide evidence that fraudulent schemes have targeted not only public and private finance, but all social relations.

Purpose. Therefore, the aim of the paper is to address financial fraud as a global threat and identify its causes and potential consequences.

Methods. For addressing the causes and effects of financial fraud, the following general research methods are used: analysis, synthesis, induction, deduction, abstraction and grouping.

Results. It should be noted that the problem of financial fraud has not received sufficient attention in domestic research literature and practice. The paper presents the leading causes of financial fraud, which include economic, moral and psychological causes as well as regulatory, infrastructural and organizational ones. Financial fraud has a negative impact on the national economy and the welfare of citizens, and therefore leads to the multimillion losses. In order to identify consequences of financial fraud, a combination two types of evaluating such consequences is suggested: quantitative (involves the calculation of pecuniary damage, economic losses and lost economic profit due to fraud offences, and qualitative (logically explains circumstances of financial fraud, risks of losing corporate reputation, image and investment attractiveness). There are three major reasons why financial fraud occurs, which constitute the so-called fraud triangle: the opportunity to commit fraud; the pressure on the individual or the motivation behind the crime; the ability to rationalize the fraud. Therefore, the most important tasks for state bodies, economic entities and individuals include neutralizing the factors which lead to financial fraud and exercising effective control over the prevention of fraud offences in social and economic areas in general, and in financial area in particular.

Discussion. Further studies should focus on a comprehensive analysis of the most common types of financial fraud, which take place in Ukraine. The authors argue that this will lead to establishing a set of policies aimed at reducing this negative phenomenon.

Key words: fraud, financial fraud, causes of financial fraud, the financial fraud triangle, consequences of financial fraud, quantitative and qualitative evaluation of financial fraud.

Formulas: 0 , fig.: 2 , tabl.: 0, bibl.: 19.

Tetiana Pysmenna

Current issues of the performance of Ukraine's financial services market

Abstract

Introduction. It is emphasized that the sustainable development of national economy is possible as long as the financial services market functions effectively. The market is formed by the entities providing insurance, banking and investment services.

Purpose. The purpose of the article is to identify the current challenges which hinder the development of Ukraine's financial services market.

Methods. The methodological framework of the study includes the following general research methods: induction, analysis, and generalization.

Results. The main indicators reflecting the performance of the domestic insurance services market are analysed. Based on gross insurance premiums and insurance payments, it is found out that the most common type of insurance is vehicle insurance. The research paper claims that nowadays various types of insurance are being developed progressively in Ukraine. Special attention is paid to life insurance, because this type of insurance is viewed as socially essential. However, the development of life insurance market in Ukraine is rated as low.

The presence of domestic banks on the financial services market is determined through the following indicators: the amount of funds received by business entities and individuals; the amount of gross loans granted to them. Under the current conditions, the domestic banks are providing financial services with innovative solutions.

The main performance indicators of the domestic market of investment services with the participation of joint investment institutions are analysed. The development of this segment of the investment services market is evidenced by the increasing volume of assets owned by investment funds. The author also notes that there is a lack of people's involvement in joint investment institutions.

Discussion. The research findings are applicable and can be used in implementing strategies for the growth of Ukraine's financial services market.

Key words: financial services market, insurance services, banking services, investment services, joint investment institutions.

Formulas: 0 , fig.: 3 , tabl.: 3, bibl.: 24.

Lina Diakovych*Problematic aspects of the regulatory and legislative framework for calculating pensions in Ukraine***Abstract**

Introduction. In order to further move towards the European Economic Area, Ukraine needs to take pension reform measures. Pension provision in Ukraine has to be profoundly reformed in terms of regulatory and legislative framework for calculating pensions in Ukraine. What is of particular importance is improving Ukraine's laws and methods for calculation and pension payments to citizens. Another important focus of the reform agenda is to define categories of people eligible for old-age pensions, disability pensions, and long-service pensions.

Purpose. The purpose of the article is to interpret the regulatory and legislative framework for calculating pensions in Ukraine; to describe changes in pension payments before and after the reform was implemented; to highlight ways of improving pension payments in terms of regulations and legislation.

Methods. The research methods used in the article include: analysis; comparison; historical method to consider the legislative framework for calculating pensions at different periods of time.

Results. The regulatory and legal framework for calculating pensions in Ukraine is a complex system comprising the Constitution of Ukraine, the Laws of Ukraine, the Labour Code of Ukraine, decrees, Presidential decrees, International agreements and laws of the USSR. Some of these regulations and legislation need to be revised and amended in order to bring them in line with contemporary practices and modern standards.

It is claimed that since 2017, Ukraine's government has been implementing the pension reform aimed at relieving the pressure on the working-age population and improving living standards for retired people. In particular, the retirement age has been raised, eligibility criteria for preferential pensions have been revised, and methods for calculating pensions have been changed.

The Ministry of Social Policy of Ukraine argues that the new pension reform is expected to enhance social, labour and post-retirement relations, to increase tax revenues through reporting real salaries, to develop a framework of social justice when calculating pensions.

The author points out that the regulatory and legislative framework for calculating pensions is outdated at this stage and it requires changes. The considered changes are as follows: the establishment of a working group for entitlement of preferential pensions; the introduction of wage differentials by industries and occupations; the increase of pensions in line with inflation and age; the implementation of notional defined contribution pension system; the introduction of the new Labour Code and Pension Code, which are expected to regulate labour and post-retirement relations and meet modern standards.

It is also indicated that continued employment should be enforced by legislation and a system of granting advantages and social security benefits to those who retire later needs to be developed.

In terms of legislation, sufficient regard should be given to non-state pension schemes, defined contribution pension systems, and the principle of fairness when it comes to

pension entitlements. It is also crucial to adjust pension amounts and retirement age to align with the sustainability ratio and the average life expectancy.

Discussion. Further research of regulatory and legal framework for calculating pensions in Ukraine should be focused on the development of the Pension Code and improvement of the existing laws relative to pension calculation and payment. The author also suggests differentiating minimum wages by industries and regions and countering the illicit labour market and campaigning against payments 'in envelope', because official wages are the basis for calculating pensions.

Key words: pension, pension provision, pension legislation, pension reform.

Formulas: 0, fig.: 2, tabl.: 0, bibl.: 10.

Anastasiia Simakhova

Factor model of social development of Belarus

Abstract

Introduction. The article is devoted to the development of the factor model of Belarus social development as a developing country with a specific social economy model. Belarus has a transitive social economy model. As a result of the study, three generalized factors of social development indicators of Belarus have been highlighted: state of developing of social economy, socialization base and human potential for socialization.

Purpose. The purpose of the article is the construction of factor model of social economy indicators development for Belarus.

Methods. To assess the key factors affecting the social development of Belarus, their analysis has been carried out by using a system of indicators for assessing the effectiveness of the social economy model at the global and national levels. In the article it has been used the methods of analysis, synthesis and comparison of data. To achieve the task of factor modeling of Belarus social indicators, the Statistics 7.0 package was used with factor analysis and the main component method. Factor analysis of social indicators of Belarus has allowed distinguishing factors that have a more significant impact on the country's economy socialization. The method of factor analysis is used to reduce existing indicators by identifying hidden general factors that explain the relationship between the factors of the object - social indicators of the country's development.

Results. The main factors of the social development of Belarus have been identified. It has been established that two local indicators of social development of Belarus do not currently affect the country's economy socialization, namely, the birth rate (the number of newborns per woman) and the share of the country's territory with land and marine reserves. The article has been identified that it should be paid more attention to the third generalized indicator of social development indicators of Belarus, since it is the basis for the social economy development.

Discussion. The supportive environment for human development, new business and self-employment of the population leads to the formation of effective foundations for raising the standard of living in all developing countries, incl. Belarus. It has been proposed to promote self-realization of the population's potential for self-sufficiency and improvement of living standards.

Key words: social economy model, Belarus, social economy, indicators, factor analysis, factors.

Formulas: 0, fig.: 1, tabl.: 3, bibl.: 33.

Borys Pohrishchuk, Heorhii Khvichiia-Duve, Nataliia Dobizha

Economic security as an indicator of infrastructure development of modern proprietorship

Abstract

Introduction. In an economic paradigm shift and significant transformations of public administration of infrastructure development in Ukraine, the issue of ensuring economic security for infrastructure development of modern enterprises is quite significant.

Purpose. The purpose of the research paper is to provide a theoretical and methodological rationale for ensuring economic security of infrastructure development of modern proprietorship.

Methods. The theoretical and methodological framework of the research includes a comprehensive approach to considering the issue of economic security as an indicator of infrastructure development of modern proprietorship; economic studies of foreign and national scholars; theoretical generalization, analysis, synthesis, abstract-logical method, etc. The method of theoretical generalization is applied for examining theoretical foundations of proprietorship, business infrastructure, and economic security in the multi-level scope. The method of analysis is used to describe the current state of the development of modern proprietorship; the method of synthesis is used to define principles for increasing efficiency of investment policies aimed at the infrastructure development; the abstract-logical method is applied for summarizing and making conclusions.

Results. Economic security is treated not only as the ability of the state to exercise authority, but also as a framework which makes it possible for business entities of various levels to pursue their major interests within the overall strategy of strengthening economic security. The authors claim that a healthy infrastructure contributes to economic security of a modern business. This should include a network of state, private, and non-governmental institutions, which serves business entities, supports their economic operations and enhances their efficiency. The core objective of investment policy in shaping the infrastructure of a modern business is the formation of a favourable environment, which contributes to increasing investment activities, attracting domestic and foreign private investments for the growth of the national economy. The article describes the key principles for increasing efficiency of investment policies aimed at the development of infrastructure. A number of proposals for the formation of a modern business infrastructure have been put forward. It is emphasized that sound infrastructure facilities should be set up through using the capacity of business units, territorial communities and the state.

Economic security of modern business infrastructure is reflected through its state, which ensures business security, infrastructure services for entrepreneurs, support for innovation development and competitiveness of the whole national economic complex. Elimination of threats that affect entrepreneurial activities requires creating effective policies and procedures as well as forming a sound infrastructure that will boost competitive advantages of domestic proprietorship in Ukraine's economy.

Discussion. The issue of interaction of infrastructural facilities in inter-regional economic linkage should be addressed in further studies.

Key words: economic security, development, infrastructure, business infrastructure, entrepreneurship.

Formulas: 0, fig.: 0, tabl.: 0, bibl.: 11.

Olha Nikolaichuk

Assessment of the impact of external factors on the development of entrepreneurship in the tourism and hospitality industry in Ukraine

Abstract

Purpose. The research problem for the study is to examine key development parameters in the tourism and hospitality industry in Ukraine. The subject of the article is to identify factors affecting the growth in the tourism and hospitality in Ukraine.

Methods. The methods used in the study include: systematizing and grouping (for identifying the major factors and dividing them into groups); methods of economic and mathematical statistics and modeling (for building correlation and regression models of the impact of factors on the development of entrepreneurship in the tourism and hospitality industry); abstract and logical method (for formulating conclusions).

Results. The article presents analysis of key indicators showing the development of entrepreneurship in the tourism and hospitality industry in Ukraine: the dynamics and number of business entities, the number of employed personnel, and the gross output. A multifactor correlation and regression analysis is undertaken in order to outline prospects for the development of entrepreneurship in the tourism and hospitality industry in Ukraine and to determine key factors positively affecting the industry. The gross output of all business entities of the industry is chosen as an indicator of the development.

Through building a correlation matrix the following external factors affecting the development of entrepreneurship in the industry are identified: social and economic welfare of people; effectiveness of state governance; political factors; transport infrastructure; investment and financial support of the industry; inflation processes; integration of Ukraine into the world economic system.

A regression model is developed to analyze the impact of the gross output of the sector on investments into the tourism and hospitality industry. It is concluded that any increase of investments by \$1 leads to a rise of returns in the tourism and hospitality industry by \$1080.65.

Key words: entrepreneurship, tourism and hospitality industry, correlation-regression analysis, factors of development.

Formulas: 2, fig.: 1, tabl.: 9, bibl.: 17.

Nataliia Pryimak*Identification of the type of enterprise corporate culture with regard to the perception of changes*

Abstract

The article claims that modern management views enterprise performance as an open socio-economic system, in which personnel play a central role. Employees' attitude to various processes in management determines success of strategies and tactics. The personnel play a crucial role in implementing changes, because they demonstrate support, neutrality, or resistance. It is noted that the resistance to changes stems from the prevailing corporate culture of the enterprise and depends on its development.

The purpose of the research paper is to provide evidence for the dependence of changes on types of corporate culture, and to develop tools of identification of these types. The article examines the concept of corporate culture in relation to management of changes, and determines the connection between corporate culture and resistance to changes based on the indicator of instability of changes. It is found out that resistance to changes in a certain corporate culture is the process of growing unwillingness to change due to the prevalent corporate culture.

The tendency to resist changes is defined as functional instability of corporate culture, which is characterized by high frequency of resistance in response to changes and measures taken to overcome such resistance. With regard to management of changes, the author proposes to distinguish between two types of corporate cultures: fiduciary and non-fiduciary, based on employees' attitude to changes. In fiduciary corporate culture, there is a high level of trust between the management and personnel in a way that the management encourages introducing changes. If resistance arises, it is minimal, and it is quickly overcome through information and motivation measures. In non-fiduciary corporate culture, the management and the team responsible for changes do not show or lack interest in changes, and under these circumstances, resistance, that has a significant impact, is comprehensive and systemic.

In fiduciary corporate culture, the role of personnel in the management of changes can be described as linear processes, whereas in non-fiduciary corporate culture, changes can be described as variable flows of changes resulting from unwillingness to introduce changes. The level of corporate culture with regard to changes is proposed to be determined through using the integral indicator calculated as a weighted average of partial indicators (characteristics) of corporate culture: 1) strong – weak; 2) adaptive – not adaptive; 3) ethical – unethical; 4) developed – latent; 5) harmonious – non-harmonic; 6) creative – bureaucratic; 7) controlled – spontaneous; 8) with a high-low level of instability. The approbation of this approach to the identification of corporate culture of the enterprise was carried out on the basis of enterprises that form the basis of the iron ore sub-sector of Ukraine. The approach, discussed in the research, has been applied for identification of corporate culture the mining industry f Ukraine, chosen as an example.

Key words: changes, management of changes, corporate culture, resistance to changes, cremation of changes, instability of changes.

Formulas: 2, fig.: 2, tabl.: 3, bibl.: 15.

Zenovii-Mykhailo Zadorozhnyi, Valentyna Yasyshena

Improvement of the legal and regulatory framework for accounting in non-material production sector

Abstract

Introduction. The reforming of accounting in Ukraine, that is taking place in conformity with demands of European and international institutions, requires amendments and additions to the legal and regulatory framework for accounting in public enterprises. Particular attention should be paid to the regulatory framework for accounting expenditures in such enterprises. Therefore, this issue, which is currently of great importance, has to be examined.

Purpose. The purpose of the article is to identify areas of improvements relative to planning, accounting, and cost accounting of research and development as well as engineering projects performed by entities of the public sector.

Methods. The methodological basis of the study consists of metaphysical and general methods of research. The historical and logical methods are used for describing development stages of non-material production sector and intangible assets. The methods of analysis, synthesis, and grouping are chosen to examine the investment climate in Ukraine compared other countries. Analysis and statistical methods are applied to highlight the current state and growth of research and technology, and to describe the outcomes of scientific and technological activities in Ukraine. The methods of comparison, analysis, induction and deduction are used to provide a rationale for improving the draft of the Model provision for the planning, accounting and calculation of the cost of research and development and engineering work.

Results. The article claims that non-material production plays a significant role in the world economy. Its growth means that information, skills, and knowledge and skills have become a primary factor of production in the today's society. The authors have established the fact that business entities interested in obtaining new knowledge, new technology and new information, have more competitive advantages.

In terms of the promotion of science, innovations, research and development, Ukraine is experiencing an ambivalent situation or even undergoing a crisis. It is noted that the global innovation index (hereinafter – the GII) of Ukraine went up until 2017, yet the research and development intensity of GDP was critically low compared with the EU countries. The authors emphasize that efforts aimed at promoting research and development should be made in the following areas: development and improvement of the legal framework, effective financing, R&D personnel retention and promotion, etc. Particular attention is paid to the issue of improving the draft of the Model Provision for planning, accounting and calculation of the cost of research and development and engineering work (hereinafter – the Model provision) No. 830 of 20 July 1996 approved by the Cabinet of Ministers of Ukraine. In order to implement the Model Provision, the Ministry of Education and Science of Ukraine initiated the establishment of a working group for developing a new draft of the legal act.

Discussion. Further efforts should be made to improve research activities in Ukraine in various ways, particularly in financing research and development and engineering activities,

and personnel retention and promotion. Today, knowledge and skills play a crucial role as a key strategic resource of any company. Businesses and countries gaining new knowledge, new technology and new information have more competitive advantages in the modern society.

The authors suggest taking steps to ensure the effective planning, accounting and cost calculation of research and development and engineering work in the public sector entities, and an in-depth study of the issue. These efforts will help to harmonize terminology and to achieve consistency with the existing legislation, and thus will lead to making sound managerial decisions. Improving the draft of the Model Provision for the planning, accounting and calculation of the cost of research and development and engineering work will make it possible to work with foreign investors and take into consideration international accounting standards. All of these steps will help to launch new high-tech and IT technology that is intangible.

Key words: accounting, cost calculation, non-material production, R&D and engineering work, the Model Provision, Guidelines.

Formulas: 0, fig.: 0, tabl.: 1, bibl.: 13.

Vasyl Rudnytskyi, Olena Rudnytska

The reporting format of managerial accounting by main business processes in trading enterprises

Abstract

Introduction. Today's increased competition and deepening process of globalization have raised the issue of information provision of managers at all levels of management, particularly accurate and timely information on financial and economic performance of enterprises. For making effective managerial decisions, managers do not only need financial information, but also non-financial information that is found in managerial accounting reports. Therefore, this is an up-to-date issue, which should be further considered.

Purpose. The purpose of the study is to examine types of the reporting format of managerial accounting in foreign and national economic studies and to concentrate on managerial accounting reporting by main business processes in trading enterprises.

Methods. The methods used for exploring issues relevant to preparing managerial accounting reports are based on general and specific approaches to examining economic processes, phenomena and facts, particularly those that are relative to budgetary performance of purchasing departments, transportation, storing and selling in trading enterprises. The key methods applied include the following: the monographic and graphic methods; the method of grouping and comparison of indicators; analysis of the dynamics and structure of expenses; modeling and budgeting of expenses of main processes in trading enterprises; planning steps for improving managerial reporting.

Results. Budgetary performance plays an important role in managerial accounting. Therefore, separate reports by the main business processes in trading enterprises are supposed to be prepared, namely on purchasing, transportation, storing and selling. The organizational structure of trading enterprises, types and total sales volumes, and other specific features of the trading industry have a significant impact on centres of responsibility, and therefore, on types and structure of managerial accounting reporting. The process of

preparing reports on budgetary performance involves determining items of expenditure specific for each department of a trading enterprise and its activity.

Discussion. Further research efforts should be aimed at improving managerial accounting reports with respect to budgetary performance, particularly at developing a 'Consolidated Record of Financial Results from Selling Goods by Direct-Cost System'. The authors argue that the format of consolidated record of financial results from selling goods can be applicable to other systems. Such a consolidated record can serve as a basis for preparing 'The Trading Company Performance Report'. This practice should be introduced in trading enterprises in line with specific characteristics of their financial and economic activities.

Key words: operational activity, managerial accounting, business process, management accounting reporting, responsibility centre.

Formulas: 0, fig.: 1, tabl.: 5, bibl.: 7.

Anatolii Herasymovych, Inna Herasymovych

Flexible accounting methods as a tool for mobilizing the enterprise's under-utilized potential

Abstract

Introduction. Since traditional accounting is based on the facts of financial and economic performance of enterprises, it does not always and fully display their real capacity, which is crucial to meet the challenge of the dynamic market environment.

Methods used in flexible accounting are recognized throughout the world, as they provide a better picture of the internal capacity of the enterprise, and it is displayed in totally new balance sheet accounts and financial records.

The study addresses the issue of applying flexible accounting methods and approaches for keeping records of assets (means) and liabilities (resources) in Ukrainian enterprises' activities.

Purpose. The purpose of the article is to highlight the methodological framework of using flexible accounting methods as a tool for mobilizing the enterprise's under-utilized potential.

Methods. The research methods used in the article include: the historical method (for describing the evolution of accounting studies); the method of abstraction (for harmonizing the terminology of accounting engineering); synthesis, induction and deduction (for providing rationale for applying flexible accounting methods); generalization (for making conclusions).

Results. The study shows that flexible accounting methods can be used as a tool for mobilizing the enterprise's under-utilized potential in the following segments: fixed assets – based on the optimal method of inventory accounting; inventory items – through the best values at the moment of goods release; bad debtors – through diversification when receivables are paid; creditors – through diversification when accounts payable are settled; of cash – a real prediction of their revenues in order to calculate the financial results of the enterprise; cash assets – through prediction of cash inflows and calculation of financial performance of the enterprise.

Discussion. The rapid pace of the current scientific and technological breakthrough, the further globalization of the economy, and increased competition have led to the need

for more effective management of business processes and financial performance, and to the search for material, human and financial resources. That has promoted accounting engineering viewed as one of the tools of flexible accounting. Further research efforts should be directed at approaches and techniques of information support for enterprise resource management.

Key words: flexible accounting methods, optimization methods, fixed assets, inventory items, debtors, creditors, costs, revenues.

Formulas: 0, fig .: 0, tabl.: 4, bibl.: 10.

Yurii Ivashuk

Richard H. Thaler's contributions to behavioural economics (The 2017 Nobel Memorial Prize in Economic Sciences)

Abstract

The article provides evidence on how Richard H. Thaler has contributed to the development of behavioural economics. Particular attention is paid to the practical significance of Thaler's research papers that suggest incorporating psychologically realistic assumptions into analysis of economic decision-making. The article is specifically concerned with the growing importance of determining a range of drivers which actually rather than theoretically influence decisions in conditions of uncertainty. The study reveals in what ways limited rationality, social preferences and lack of self-control systemically affect making individual decisions, and how they influence market condition.

The author considers the concept of mental accounting, which helps to explain how people simplify the process of making financial decisions by creating separate accounts in their minds and thus focusing on the narrow impact of each individual decision rather than on its overall effect. This article also shows how aversion to losses can explain why people value the same item more highly when they own it than when they don't. The idea of 'libertarian paternalism', which aims to ensure optimal choice among multiple options, is interpreted.

Special attention is drawn to the fact that Richard H. Thaler has built a bridge between economic and psychological analysis of making some decisions. His empirical outcomes and theoretical conclusions play an important role in taking behavioural economics from the fringe to the academic mainstream, and have a substantial impact on research in economic and political fields.

Key words: behavioural economics, the concept of mental accounting, nudge theory, libertarian paternalism.

Formulas: 0, fig .: 2, tabl.: 0, bibl.: 10.