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ACCOUNTING COMPONENT IN IMPROVEMENT OF ENTERPRISE COMPETITIVENESS

The article examines internal and external factors that directly influence the formation and increase of business value and competitiveness in the context of European integration. The essence of the accounting component of competitiveness enhancement and its structure is determined. The direct influence of accounting policies on increasing the competitiveness of the enterprise has been proved.

Keywords: *enterprise competitiveness, business value, accounting policy, accounting.*

Фоміна Олена, Августова Олена, Ромашко Ольга. Облікова складова підвищення конкурентоспроможності підприємства.

У статті розглянуто внутрішні та зовнішні фактори, що безпосередньо впливають на формування та підвищення вартості бізнесу та конкурентоспроможності в умовах євроінтеграції. Визначено сутність облікової складової

підвищення конкурентоспроможності та її структуру. Доведено безпосередній вплив облікової політики на підвищення конкурентоспроможність підприємства.

Ключові слова: конкурентоспроможність підприємства, вартість бізнесу, облікова політика, бухгалтерський облік.

Relevance of research topic. As Ukraine is constantly moving towards integration into the global economic space, domestic businesses are being challenged daily to increase their business value and competitiveness.

Formulation of the problem. The urgent and pressing issue is the search for new methods, factors of influence and management of the competitiveness of enterprises in the conditions of European integration, aimed at the formation, development, and realization of competitive advantages and ensuring the viability of the enterprise as a subject of economic competition. The formation of the accounting component as a factor of increasing the competitiveness of enterprises is one of them.

Analysis of recent researches and publications. Many scientists have researched the question of factors of influence and main components of the increase of competitiveness of the enterprises, in particular: A. Smith, D. Ricardo, J.S. Mill, K. Marx, J. Keynes, E.B. Basiluk, V.D. Basilevich, V.S. White Hats, ZS Varnalia, O.I. Dragan, G.V. Zagoriy, Yu.M. Ivanova, I.S. Ladunka, A.O. Klimchuk, O.V. Seleznev, M. Porter.

The impact of accounting policy on the competitiveness of enterprises considered in their work by scientists such as: L.V. Ivanchenko, G.O. Tkachuk, L.B. Glazier, O. N. Potekhina, L. Klovienea, E. Gimzauskieneb, O. V. Mikhaylenko

Presenting main material. In the modern economic literature, there are many definitions of the concept of «enterprise competitiveness». In our view, the most successful is «the competitiveness of an enterprise is a comparative characteristic of an enterprise, which determines its position among many similar businesses and can use different types of resources more effectively than competitors» (Kuznietsova K.O., 2013).

To systematically study competitiveness, it is necessary to analyze the external and internal environment, the factors of influence (Fig. 1). It needs to be mentioned that the internal environment (factors of influence) of the enterprise can be considered as a set of entities that provide competitive advantages and their relationships among themselves, as a subsystem of competitiveness management, that is, the real and potential capabilities of enterprises in their existing conditions to design, produce and sell products that are more attractive to the consumer in terms of price and non-price characteristics than their competitors' products [Chumak L.F., 2013, p. 85]. External factors mean the totality of economic entities, economic, social and natural conditions, national and interstate institutional structures, and other external conditions and factors that operate in a global environment that influence or may affect the functioning of the enterprise (Ivanchenkova L.V., Tkachuk H.O., Skliar L.B., 2018).

Since the purpose of our study is to consider the accounting component as a factor influencing the competitiveness of the company, it is advisable to consider what this component includes. Accordingly, the accounting component is the methods, principles of conducting and organization of accounting at the enterprise, that is, its accounting policy.

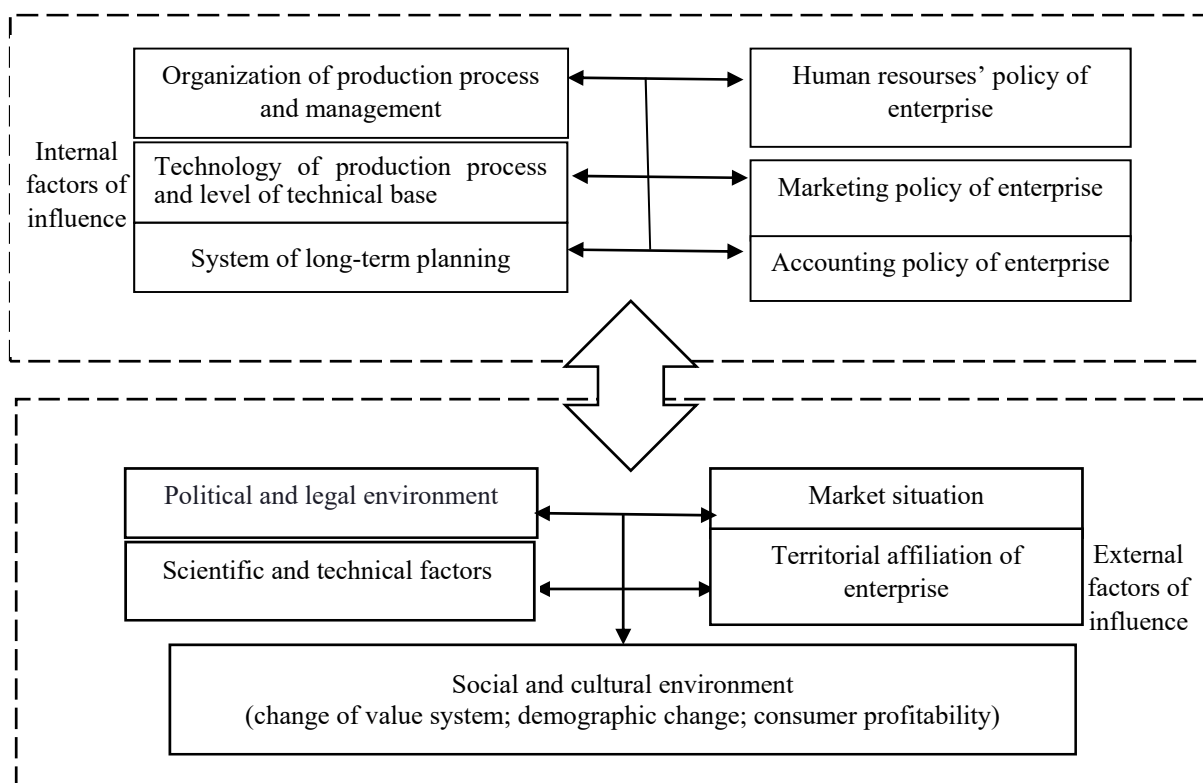


Fig. 1. Factors of influence on the increase of competitiveness of the enterprise

*Source: Developed by the authors based on [Ivanchenkova L.V., Tkachuk H.O., Skliar L.B., 2018, *Metodychni rekomendatsii shchodo oblikovoi polityky pidpryiemstva*, 2013].*

The essence of accounting policy is disclosed in the Law of Ukraine «Pro bukhhalterskyi oblik ta finansovu zvitnist v Ukraini» (1999) and the National Regulation (Standard) of Accounting 1 «General Requirements for Financial Reporting» (2013), which states that it is «... a set of principles, methods, and procedures used. an enterprise for preparation and submission of financial statements». A somewhat different interpretation of accounting policies is provided by IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (2005). Thus, under the fifth paragraph of this standard, accounting policy is defined as the specific principles, principles, arrangements, rules, and practices that an entity applies in the preparation and presentation of financial statements (Metodychni rekomendatsii shchodo oblikovoi polityky pidpryiemstva, 2013).

Fig. 2 shows the main components of accounting policy of the enterprise, as affecting improving the competitiveness of the enterprise.

Formation of accounting policy allows enterprises in modern business conditions to maneuver in the system of recognized methods, methods and procedures. The components of accounting policies are determined by relevant accounting entities for which there are alternative options and industry-specific features. For example, a sound approach to assessing balance sheet items enables an entity to:

- provide a single methodology for measuring assets, capital, liabilities and financial results over a long period;

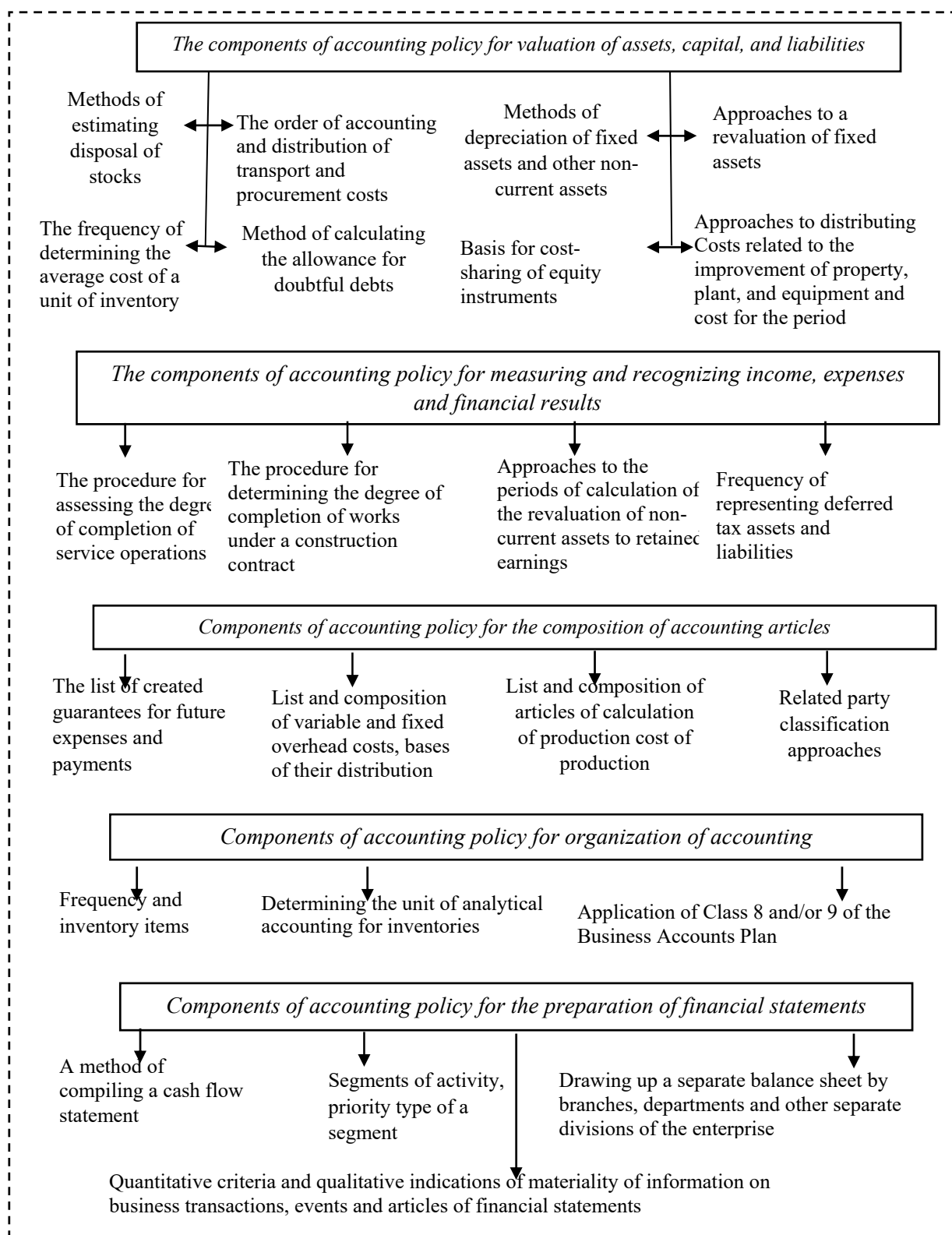


Fig. 2. The main components of accounting policies

Source: Developed by the authors based on [Ivanchenkova L.V., Tkachuk H.O., Skliar L.B., 2018, *Metodychni rekomendatsii shchodo oblikovoi polityky pidpriemstva*, 2013].

– make the financial statement information understandable and transparent to users, incl. investors;

- reduce the likelihood of misrepresentation of financial information regarding the value of assets, the reliability of the level of costs and financial results;
- ensure sufficient detail of the actual consequences of business transactions;
- provide the internal control system with reliable accounting information;
- provide the needs for the implementation of the corporate policy of the enterprise (Natsionalne polozhennia (standart) bukhhalterskoho obliku 1 «Zahalni vymohy do finansovoi zvitnosti», 2013).

The question of choosing a particular accounting policy option is particularly important because, in the same enterprise, under the same conditions, depending on the chosen method of accounting, for example, the cost accounting method, the product can be both more profitable or less profitable and even unprofitable.

Conclusion. The enterprise becomes competitive as a result of a set of actions aimed at creating and maintaining competitive advantages. The sound choice of specific components of the accounting policy of the enterprise will allow increasing qualitatively competitiveness of domestic enterprises.

The validity and detail of these accounting policies determine the prospects for further research.

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