

ESTIMATION OF EFFICIENCY OF FOREIGN ECONOMIC ACTIVITY OF THE ENTERPRISE

***Summary.** Analyzed and described the concept of "estimation of efficiency of foreign economic activity". Formulated methods and nature of the estimation of efficiency of foreign economic activity of the enterprise. Overview main problems of efficiency of projects development for estimation of efficiency of foreign economic activity and the ways to improve them. There are the basic classification criteria for structuring factors affecting on the estimation of efficiency of foreign economic activity of the enterprise.*

***Анотація.** Проаналізовано та охарактеризовано поняття "оцінки ефективності зовнішньоекономічної діяльності". Сформульовано методи та сутність оцінки ефективності зовнішньоекономічної діяльності підприємства. Узагальнено основні проблеми ефективності розробки проектів щодо оцінки ефективності зовнішньоекономічної діяльності підприємства та запропоновано шляхи їх вдосконалення. Наведено основні класифікаційні ознаки для структуризації чинників впливу на оцінку ефективності зовнішньоекономічної діяльності підприємства.*

***Аннотация.** Проанализированы и охарактеризованы понятие "оценка эффективности внешнеэкономической деятельности". Сформулированы методы и сущность оценки эффективности внешнеэкономической деятельности на предприятии. Обобщены основные проблемы эффективности разработки проектов оценки эффективности*

внешнеэкономической деятельности и предложены пути их совершенствования. Приведены основные классификационные признаки для структуризации факторов влияния на оценку эффективности внешнеэкономической деятельности предприятия.

Actuality of theme. Participation of the state in foreign economic activity (FEA) consists in establishing the basis of relations between the countries - signing of agreements on bilateral and multilateral cooperation, developing mutual exchange programs in various spheres, statement of joint declarations of readiness to strengthen constructive cooperation, creation of organizations and intergovernmental commissions in order to conduct consultations and development of proposals on cooperation in the field of politics, economics, trade, etc. On the other hand, the state should create favorable legal and economic conditions for conducting foreign economic activity for national enterprises [1, с. 51]. In order to increase the efficiency of foreign trade operations of an enterprise, it is first of all necessary to identify those countries that are attractive for further cooperation, to analyze the existing foreign economic relations of the enterprise and to allocate perspective directions of development.

Correct organization of foreign trade activity by the enterprise can lead to decrease of losses of resources that will allow to increase efficiency of its activity. One of the main factors in the effectiveness of choosing ways to improve the company's foreign trade activity is to increase the profitability of activities and sales, as well as increase profits. Because it is precisely this that is the ultimate result of the enterprise and the main source of its financial resources.

The issues of the estimation of the efficiency of foreign economic activity of the enterprise were carried out by such domestic and foreign scientists as: Aranchiy V.I., Volkova IA, Vergun VA, Volovik L. A., Dakhno I. I., Deineka O. G. Drozdova G. M., Didkovsky M. I., Kozak Yu. G., Kotish O. M., Makogon Yu.

V., Melnik T. M., Poddubna L. I., Tyurina N. M., Tsygankova T. M., and others like that.

The purpose of the article. The purpose of the article is to provide practical substantiation of the estimation of the efficiency of foreign economic activity at the enterprise

Task of the article:

1. To reveal the essence and peculiarities of the estimation of the efficiency of the foreign economic activity of the enterprise;
2. To study theoretical approaches and methods of assessing the efficiency of foreign trade activity of the enterprise;
3. To consider the indicators of the estimation of the efficiency of the foreign economic activity of the enterprise;
4. Identify the problems of assessing the effectiveness of foreign economic activity in the enterprise;
5. Suggest solutions to improve the assessment of the effectiveness of foreign economic activity of the enterprise.

Object of the article. The process of assessing the effectiveness of foreign economic activity of the enterprise.

Research results. Efficiency of economic activity of both domestic and foreign enterprises within the legal system of a particular state is determined primarily by the degree of perfection of the scope of regulation and the liberties of its legislation. In connection with this, the importance of legal regulation of issues of the functioning of various economic entities in Ukraine and abroad, which are based on relationships based on the laws of foreign economic activity, is increasing [2, c. 79].

The purpose of the creation and operation of each enterprise is to generate profits. To maximize and stable profits, the company needs to expand its scope and consolidate various types of markets. Import-export operations are a

manifestation of external relations of the enterprise. Such connections help not only to expand the sphere of activity, but also to make a profit. Depending on the scope of activity, each enterprise has different types of import-export operations. With regard to the parent company, whose main activity is the purchase and sale of medical products, import-export operations account for a significant proportion of all transactions. Accordingly, the share of profit comes from import-export operations.

The assessment of the effectiveness of foreign trade operations is given due attention in the economic literature, which is represented by a very detailed system of analysis of financial and economic activity of the enterprise in the foreign economic sphere. But there is no single universally accepted approach to assessing the effectiveness of foreign economic activity of the enterprise.

In the domestic literature offers a classification of approaches to assess the effectiveness of foreign economic activity of the enterprise on three grounds [3, c. 112]:

- by types of foreign economic activity: efficiency of export, re-export; import, re-import;
- by the extent of the object of the study: integral efficiency; local effectiveness;
- by methods of evaluation: absolute efficiency; relative efficiency.

Any analysis of foreign economic activity is carried out on the basis of certain methods, that is, means of achieving the objectives of the study. For the analysis of foreign economic activity you can use: methods of deterministic factor analysis (detail, comparison, elimination, generalization); standard methods (statistical observation, grouping, absolute and relative values, average values, indices, rows of dynamics); mathematical (mathematical modeling, mathematical analysis, integral method, mathematical statistics, probability theory, economic cybernetics); heuristic methods (expert estimation, brainstorming), special

methods (SWOT (scenario method), PEST (comparative), SNW (DuPont model analysis), portfolio (R-analysis).

The SWOT analysis method has been used for a long time and successfully to analyze the competitive advantages of foreign-level activities at the enterprise level. This method is widely used in foreign practice of financial analysis, where it is considered as the most important tool for marketing analysis of the organization. However, when detailed SWOT analysis and inclusion in it of mathematical calculations of the main balance sheet factors that determine the financial performance of activities, financial status of the organization, it can and should be considered as an integrated method of assessing financial and economic activity of the organization [4, c. 132].

Quantitative methods of SWOT analysis allow us to assess the importance and influence of environmental factors on the activities of the enterprise, increase the level of informality and the convenience of working with the results. Such an analysis within the framework of the SWOT method can be performed in tabular, matrix and profile form. It should be noted that the application of the method of SWOT analysis in trade organizations is high due to the following factors:

- significant growth of mutual interest of participants in the trade process in unambiguous, objective and reliable assessment of the situation on the market;
- unstable growth of sales on the basis of selection of the appropriate range of goods and the establishment of prices that stimulate the growth of demand for them;
- the need for constant support for the competitiveness of the organization and increase the efficiency of its functioning.

The basis of this methodology of analysis is the theory of M.Porter on the competitiveness of the organization in its own field. The process of SWOT-

analysis is based on an analysis of the organization's activities using the following blocks of questions.

PEST analysis is to identify and assess the impact of macro factors on the results of current and future activities of the enterprise. PEST is the abbreviation of four English words: P - Political-legal, E-Economic, S-Sociocultural, T-Technological forces.

There are four groups of factors that are most significant for a company's strategy: political and legal; economic; socio-cultural technological. The political factor of the environment is studied, first of all, in order to have a clear idea of the intentions of state authorities regarding the development of society and the means by which the state intends to implement its policies. The analysis of the economic aspect of the environment allows us to understand how economic resources are formed and distributed at the state level. For most businesses, this is the most important condition for their business activity.

To date, the financial and economic effect of foreign economic activity, taking into account the contribution of specific participants in this process, is inadequate, which can not properly determine their contribution to the increase of national funds from the sale of products for export. On the other hand, it is impossible to determine the real figures of income that are received by concrete producers, intermediaries of export operations. It does not encourage specific performers to increase exports and, accordingly, make competitive products. These are the ones circumstances that led to the need to develop the proposed methods of effective calculations.

Determining the effectiveness of foreign economic operations is carried out to justify not only certain proposals for the purchase and sale of certain goods. These data can be used in developing export-import plans at the country level, in assessing the structure and directions of foreign trade turnover. Similar calculations are carried out both in the national and foreign currency [5, c. 93].

In determining the effectiveness of foreign economic activity of enterprises, a systematic approach is used that provides an opportunity to carry out a comprehensive analysis of any type of foreign economic transaction. In order to carry out economic analysis, it is necessary to choose a criterion of efficiency. The criterion is the main feature that distinguishes it from other classification units. On the basis of such a sign, a quantitative assessment of the efficiency of production is carried out. According to this definition, the chosen criterion should correspond to the principles of constructing performance indicators, as well as to fully reproduce its economic essence.

On the basis of derivative data it is possible to calculate intermediate and generalized indicators, to construct a factor model, to develop the formulas of the influence of factors on the generalized indicator, to calculate possible deviations in the implementation of financial and economic activity, to calculate reserves and to substantiate problems that require immediate management at the management level.

The economic substantiation of the activity of enterprises, including those which are related to the foreign economic sphere, is carried out on the basis of the analysis of indicators of efficiency.

The formulation of problems that arise during an enterprise's activity allows us to respond promptly to changes in the internal and external environment. The formulation of problems is carried out on the basis of the study of the factors of any deviations and is an important aspect of their further solution [6, c. 142].

In organizing the analysis, the methodological issue should be resolved:

- select the purpose and define the tasks of the analysis;
- to determine the time and sequence of the method of its conduct;
- identify sources of information and its probability;
- to choose the method of carrying out the analysis;
- identify specific individuals and services responsible for analysis.

In turn, the organization of the analysis of financial results of foreign economic activity covers the following stages:

1. To formulate the purpose and tasks of the analysis of financial results of foreign economic activity.
2. Identify sources of information and its reliability.
3. To choose the method of carrying out the analysis of financial results of foreign economic activity.
4. Identify the specific persons and services responsible for the analysis of the financial results of foreign economic activity, and indicate the date of conducting.

For a more complete description of the economic efficiency of foreign economic activity, a system of partial indicators is used that includes groups of absolute and relative indicators. The calculation of absolute indicators of the efficiency of foreign economic activity allows us to estimate quantitative changes in the structure and structure of financial results of economic entities.

Of particular importance is the assessment of the effectiveness of foreign economic activity of the enterprise in modern conditions, when economic independence and independence must certainly lead to increased responsibility and soundness of managerial decisions.

The ongoing economic analysis consists in studying the current state of the enterprise in the field of foreign economic activity, its deviations from the planned level and identifying the factors that caused these deviations. It is the basis for making managerial decisions, and therefore aims [7, c. 108]:

- to evaluate activity of the enterprise and its subdivisions;
- to identify possible reserves;
- to formulate a problem to be solved.

The assessment of the activity is carried out by comparing the actual results with the planned or for the previous period. An estimate is also possible regarding

normative indicators or indicators of similar enterprises. The results of the activity evaluation are the basis for stimulating this activity, adjusting the plans.

The method of analysis is used depending on [8, c. 376]:

- the purpose of the analysis;
- availability of information;
- the time of the analysis.

The complexity and variety of techniques depends on the level of management: the lower level of management in the hierarchy, the more simplified the problems and methods of analysis, and vice versa, the higher level of management, the more difficult the problems arise, which, accordingly, require the use of the most perfect method of analysis. The solution of the last contradiction is found in the development of a factor model, which is an organically agreed system of generalized, intermediate and derivative indicators that characterize the functional scope of the analysis and the relationship between them.

The development of the factor model is carried out consistently from the generalized indicator through the intermediate to the derivatives, which reproduce the features of technology and organization of production, design of products, conditions of material and technical supply, etc. The development of a factor model begins with the establishment of a generalized indicator (the choice of the criterion of the effectiveness of a particular activity).

Detection of reserves - an extremely important stage for the development of planned organizational and technical measures to improve the effective functioning of the enterprise. Awareness of reserves, in particular of their size and places of origin, allows them to be classified according to their importance, level of management, and the time of action.

Under the reserves understand the possible improvements that characterize the effectiveness of the enterprise. Reserves are classified in several directions [9, c. 118]:

1) Depending on the content:

- technical and technological;
- economic;
- social
- organizational

2) Depending on the extent of distribution:

- general;
- partial (specific);

3) Depending on the importance of the result:

- basic
- secondary;

4) Depending on the place of origin:

- national economy;
- industry;
- intra-productive

5) Depending on the structure:

- complex (multifactorial);
- simple (one-factor);

6) Depending on the time of action:

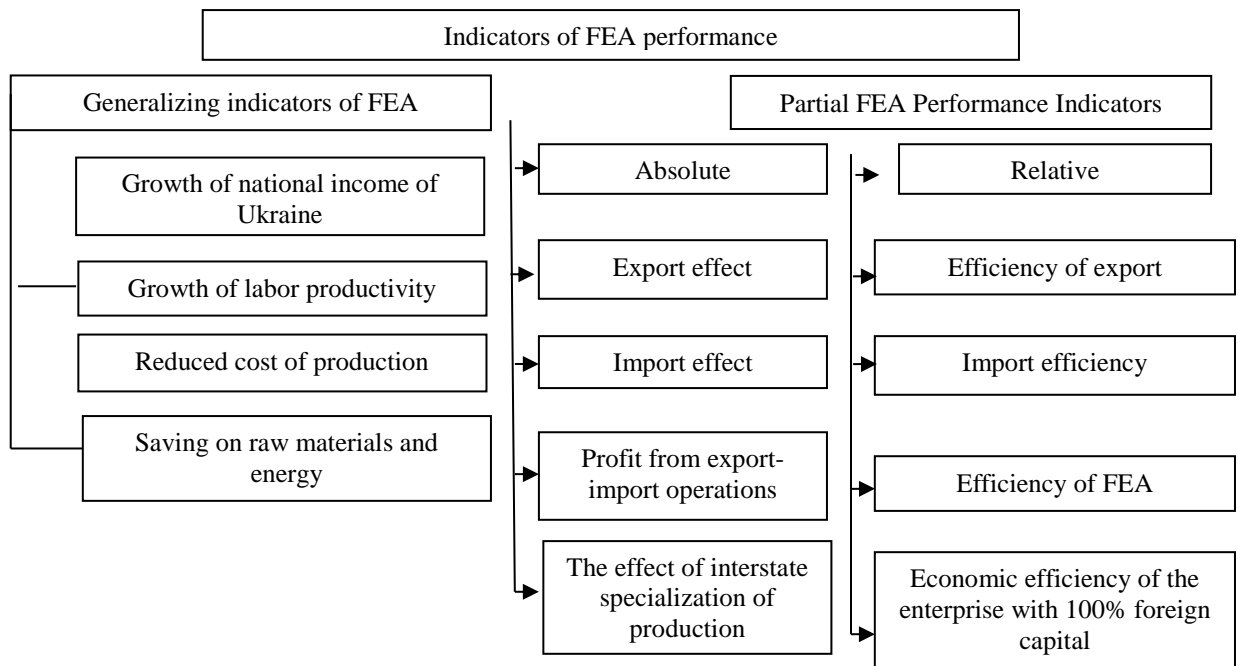
- permanent;
- temporary.

Such a classification is generalized to carry out an economic analysis of an enterprise's activity, so it is most often used within the framework of a local analysis to increase its efficiency of functioning.

The economic substantiation of the activities of enterprises, including those which are related to the foreign economic sphere, is carried out on the basis of the analysis of indicators of efficiency (Fig. 1) [10, c. 55].

The whole system of indicators of foreign economic activity of enterprises, organizations, firms can be divided into four groups:

- absolute indicators (volume of exports, volume of imports, volume of overhead export / import, average balance, number of claims received, amount of claims, number of satisfied claims, volume of use of the trademark of the company, volume of export of new goods);
- relative indicators (dynamics indexes: index of value; physical volume index; price index; number index, for example, dynamics of the share of world, European markets, share of new goods in export, which appeared on the markets in the last 5 years, the share of cost reduction received due to the use of new technologies, etc.); coefficients of performance of obligations on export and import: on cost, on the actual volume, at the price; average duration of the turnover of the export (import) operation; coefficient of return on funds from export / import operations);
- structural indicators (commodity structure of export or import; geographic structure of export or import; structure of overhead costs for export or import);
- efficiency indicators (currency efficiency of export / import; export / import efficiency; average duration of export (import) transaction; coefficient of return on export / import operations; efficiency of export / import) [10].



Pic. 1. System of indicators that characterize the economic efficiency of foreign economic activity of economic entities

Conclusions. Today there is no single generally accepted approach to the assessment of the effectiveness of the foreign economic activity of the enterprise. Thus, in the domestic literature the classification of approaches to the estimation of the efficiency of the foreign economic activity of the enterprise is offered on three grounds: - by types of foreign economic activity, by the degree of the scope of the research object, by the methods of evaluation.

For the analysis of foreign economic activity you can use: methods of deterministic factor analysis (detail, comparison, elimination, generalization); standard methods (statistical observation, grouping, absolute and relative values, average values, indices, rows of dynamics); mathematical (mathematical modeling, mathematical analysis, integral method, mathematical statistics, probability theory, economic cybernetics); heuristic methods (expert estimation, brainstorming), special methods (SWOT (scenario method), PEST (comparative), SNW (DuPont model analysis), portfolio (R-analysis).

Thus, a number of indicators are used to assess the economic efficiency of an enterprise's foreign economic activity, among which export-import effects, export and import efficiency indicators should be highlighted.

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