

**Institute of European Integration
(Warsaw, Poland)**



**Instytut Integracji Europejskiej
(Warszawa, Polska)**

**SOCIAL AND LEGAL ASPECTS OF THE DEVELOPMENT OF
CIVIL SOCIETY INSTITUTIONS**

Collective monograph

Part I

Warsaw, Poland
2019

*Recommended for publication by the Program and Scientific Council of
Institute of European Integration, (№ 5-07, 22.02.2019)*

Scientific Board:

Grażyna Dzwonkowska – Chairman of the Board of Institute of European Integration, Poland.

Bogusław Sygit – Doctor Habilitated of Law, Professor, Uniwersytet Łódzki, Poland.

Jelena Lukjanova – Associate Professor, Department of Law, ISMA University, Latvia.

Mariana Petrova – Doctor of Science in Physics and Mathematics, Professor, Associate Professor, St.Cyril and St.Methodius University of Veliko Tarnovo, Bulgaria.

Krzysztof Gaska – Doctor Habilitated, Professor, Silesian University of Technology, Poland.

Talgat Uteubayev – PhD, L.N. Gumilyov Eurasian National University, Republic of Kazakhstan.

Marzena Smol – PhD, Mineral and Energy Economic Research Institute, Poland.

Reviewers:

Włodzimierz Kobrzyński – Doctor Habilitated of Law, Uniwersytet Warszawski, Poland.

Pukała Ryszard – PhD, Professor, Bronisław Markiewicz State Higher School of Technology and Economics, Poland.

Social and legal aspects of the development of civil society institutions:
collective monograph. Part I. Warsaw: BMT Erida Sp.z o.o., 2019. 536 p.

ISBN 978-83-950153-7-3

This collective monograph offers the description and analysis of the formation and development of civil society institutions at various levels of government in the field of politics, economics, education and culture. The authors of individual chapters have chosen such point of view for the topic which they considered as the most important and specific for their field of study. Theoretical and applied problems and the existing legal base of practical activities of civil society institutions in the context of growing interdependence of economic, cultural, demographic, political, environmental processes are investigated. The prospects for the further development of civil society and its institutions, their relations with the state, as well as the promotion of the participation of civil society organizations in socio-economic development.

Publisher: BMT Erida Sp. z o.o.
erida@erida.com.pl

ISBN 978-83-950153-7-3

Authors are responsible for the content and accuracy

Published under the terms of the Creative Commons
CC BY-NC 4.0 License

© Instytut Integracji Europejskiej, 2019
© Zespół autorów, 2019

Grygoriy Denysyk, Olga Chyzh, Volodymyr Kansky	
THE NEED FOR RESTRUCTURING AND THE PROSPECTS FOR THE DEVELOPMENT OF NATURAL GEOGRAPHY IN UKRAINIAN HIGHER EDUCATION INSTITUTIONS.....	175
Alla Kizyun	
REGIONAL FEATURES OF THE NATURAL ENVIRONMENT AND THEIR CONSIDERATION IN THE PROCESS OF EXTREME TOURISM DEVELOPMENT...	190
Kathryn Dumanska, Nataliya Ponomaryova	
THE IMPORTANCE OF CONSOLIDATION PROCESSES FOR INTERNATIONAL COMPANIES IN CONDITIONS OF THE WORLD ECONOMIC GLOBALIZATION...	204
Alona Melnyk, Zorina Shatska	
BUSINESS STRUCTURES, AS NEW FORMS OF INSTITUTION, IN CONTEXT OF THE CIVIL SOCIETY DEVELOPMENT.....	219
Yana Polyakova, Anastasiia Yazieva	
EVALUATION OF THE RESULTS OF THE FOREIGN ECONOMIC ACTIVITY OF THE ENTERPRISE BASED ON THE BALANCED SCORECARD.....	232
Svitlana Onyshchenko, Inna Kulchii, Iryna Pasichna	
FOREIGN EXPERIENCE IN PUBLIC ADMINISTRATION REFORMING AND ITS ADAPTATION IN UKRAINE.....	251
Anastasiia Dziuba, Angelina Symkina	
PREVENTION OF CORRUPTION IN THE SPHERE OF PRIVATE ECONOMY: INTERNATIONAL STANDARDS AND PRACTICE OF THEIR IMPLEMENTATION.....	264
Liudmyla Kuznetsova, Oleksandra Kazarian	
DEVELOPMENT OF INTERACTION OF BANKS WITH SMALL AND MEDIUM ENTERPRISES IN THE CONTEXT OF DIGITALIZATION OF THE ECONOMY....	278
Olga Ostapenko	
STUDY OF ENERGY-ECONOMIC EFFICIENCY OF ENERGY SUPPLY SYSTEMS WITH COGENERATION HEAT PUMP INSTALLATIONS, USING THE HEAT OF THE INDUSTRIAL AND NATURAL SOURCES, IN INDUSTRY AND MUNICIPAL HEAT POWER BRANCH OF UKRAINE.....	292
Tetyana Kravchenko	
ADAPTATION OF PUBLIC POLICY IN THE FIELD OF MANAGEMENT SOCIAL RISKS IN UKRAINE TO EUROPEAN STANDARDS OF SOCIAL SUPPORT.....	309
Olga Nikogosyan	
THE DEVELOPMENT OF POLITICAL PARTIES IN CIVIL SOCIETY.....	326
Maryna Lazareva	
CONDITIONS FOR SUSTAINABILITY OF BUSINESS ASSOCIATIONS.....	340

Yana Polyakova

Candidate of Economics Science,

Simon Kuznets Kharkiv National University of Economics, Kharkiv (Ukraine)

orcid.org/0000-0002-5245-2936

Anastasiia Yazieva

Masters,

Simon Kuznets Kharkiv National University of Economics, Kharkiv (Ukraine)

orcid.org/0000-0001-6061-8329

EVALUATION OF THE RESULTS OF THE FOREIGN ECONOMIC ACTIVITY OF THE ENTERPRISE BASED ON THE BALANCED SCORECARD

***Abstract.** The conducted research is devoted to the problems of evaluation of the effectiveness of foreign economic activity of the enterprise. The relevance of the study is due to the need to introduce new methodological tools in this process, which will improve the existing model of evaluation of FEA "costs-benefit" based on the introduction of a systematic approach. Using the system of balanced scorecard will allow to evaluate all areas of foreign economic activity of the enterprise in terms of prospects of finance, clients, knowledge and training, and internal processes comprehensively with further distribution of economic indicators to the resulting and baseline indicators. This distribution will help to focus the company on key processes and improve the information management decision making system. The obtained results of the research indicate that the result indicators of the key areas of foreign economic activity of the enterprise are the following: net profit from foreign economic activity, the volume of sales of new foreign goods to new foreign customers, the volume of exported products, the number of projects submitted by the personnel, the price of sales of products and the number of employees who went through the specialized teaching. All other indicators included in the Balanced Scorecard in this study are of an auxiliary nature. Thus, the overall effectiveness of an enterprise's foreign economic activity depends on the capacity of the external market and the intensity of competition, the innovation of the export-oriented production of the enterprise and the human capital of the enterprise. It is on these key success factors proposed to focus on modern enterprises.*

JEL Classification. C51, D33, D61, L20

Introduction.

The current state of international business is characterized by increasing involvement of participants in the field of international economic relations. Making a positive impact on the formation of the country's export potential and increasing the competitiveness of goods in world markets can form a rational structure of export-import trade relations of the country, promote foreign investment in the redevelopment of production facilities and the introduction of new business projects. The formation of a range of high-tech competitive products and the complication of international economic relations, taking into account the

complex requirements for the formation of a modern international business model, necessitates the development of new approaches to assessing the effectiveness of foreign economic activity, which will allow introduction of a systemic approach in the field of assessing the effectiveness of foreign economic activity. The analysis of scientific works on the outlined problems has shown that in the domestic and foreign literature there is some progress in determining, assessing and improving the efficiency of the foreign economic activity of the enterprise.

To evaluate the effectiveness of foreign economic activity, A.Vichevich and O.Maksimets distinguish national and regional indicators, that is, those that can be used to analyze the activity of a region or industry [17]. According to L. Lisova, in order to assess the foreign economic activity of the region, some other indicators should be used which have a more simplistic view, but rather accurately determine the effect of this type of activity and separately indicators of the structure of foreign economic relations are distinguished: commodity, geographical and institutional structure of foreign economic relations [5]. O. Maslak and V.Zeughha note that, in addition to quantitative and qualitative, absolute and relative, for the analysis of foreign economic activity, it is necessary to use the cost - represented in monetary terms, natural - presented in physical quantities [6]. However, O. Hrebelnik believes that for the analysis of the functioning of foreign economic activity, it is necessary to allocate additionally: general trade; special trade; re-export and re-export [3]. Harkusha notes that the economic substantiation of the decisions taken on the management of foreign economic activities of enterprises is carried out by calculating various indicators of economic efficiency, and we make the assessment of efficiency on the basis of accounting reports [2]. The scientist I. Skoropad in the method of studying the efficiency of foreign economic activity of the enterprise proposes to determine the efficiency of export and import operations through the calculation of the efficiency of alternative import or export options [15]. The basis of the Miroljubova method is the calculation of the aggregate of indicators such as the absolute efficiency of exports, the economic efficiency of realization of export products in the domestic market, as well as the efficiency of utilization of production and circulating assets during export [8]. O. Shkurupii in his works highlighted the indicators of the effect that characterize the absolute value of the economic effect and are recognized as the difference between the result and the cost [14]. Tyurina N. notes that one of the parameters for determining the effectiveness of the export business of the enterprise is the currency efficiency [16]. Ponomarenko considered in his works the problem of the enterprise in determining its competitiveness [11, 12]. Robert Kaplan and David Norton developed the concept of BSC as one of the most important tools for strategic management accounting that was further developed in the works of other researchers [4]. The peculiarity of the method of formation of BSC P. N. Niven's is the implementation of the process of "cascading" [9]. H. Rampssad forms a universal system of indicators for managing quality, performance and competencies [13]. Ya.O. Poliakova

investigated the methodical foundations for the formation of a balanced system of indices of the industrial enterprise [10]. K. McNair, R. Lurch and K. Cross introduced a model of a well-balanced system of indicators called "Pyramid of Efficiency" [7]. Suggested by Christopher Adams and Peter Roberts, the model is called ER2M [1]. The scientific works of the above-mentioned scientists outline the main approaches to determining the economic essence of the concept of "effectiveness of foreign economic activity" of the enterprise, the formation of factors influencing it, and the methods of its evaluation. Most researchers consider the assessment of the effectiveness of an enterprise's foreign economic activity as a comparison of the result obtained as a result of such activity and the costs incurred or the evaluation based on a system of financial indicators.. However, the problem of formalizing the management of the effectiveness of foreign economic activity on the basis of the system approach, which will allow to conduct a comprehensive assessment of the effectiveness of the foreign economic activity of the enterprise. Therefore, the purpose of this study is to substantiate the methodical tools and to determine the semantic content of the balanced scorecard system of the assessment of the effectiveness of the industrial enterprise in the field of foreign economic activity.

1. Characteristics of conceptual models of the formation of a balanced scorecard system

Implementation of the system approach in the process of assessing the effectiveness of foreign economic activity is based on the formation of a set of indicators in the basic directions of the implementation of foreign economic activity of the enterprise. Formalization of implementing a systematic approach to the assessment process is appropriate to carry out on the basis of a balanced scorecard. The implementation of the balance scorecard system in the assessment of the effectiveness of the foreign economic activity leads up to separation the strategic and tactical management levels, which requires the development of the new concept of management of foreign economic activity and the methodology for its evaluation. Balanced Scorecard (BSC) – is a mechanism of consistent bringing to the personnel the key factors of the success, strategic goals of the enterprise and control its achievement through performance indicators, which are the meters for achieving the goals of the enterprise, as well as characteristics of the effectiveness of business processes and results of work at the individual level. Therefore, BSC is an instrument that allows to make a formal combination of strategic and tactical control subsystems. Among the scientists who studied the BSC worth noting research are of Kaplan R. S., Norton D.P., Paul R. Niven, H. Rampersad, McNair C.J., Lynch R.L., Cross K.F., Adams C., Roberts P. [5, 10, 14, 8, 1]. The comparative characteristic of conceptual models of BSC is presented in Fig. 1.

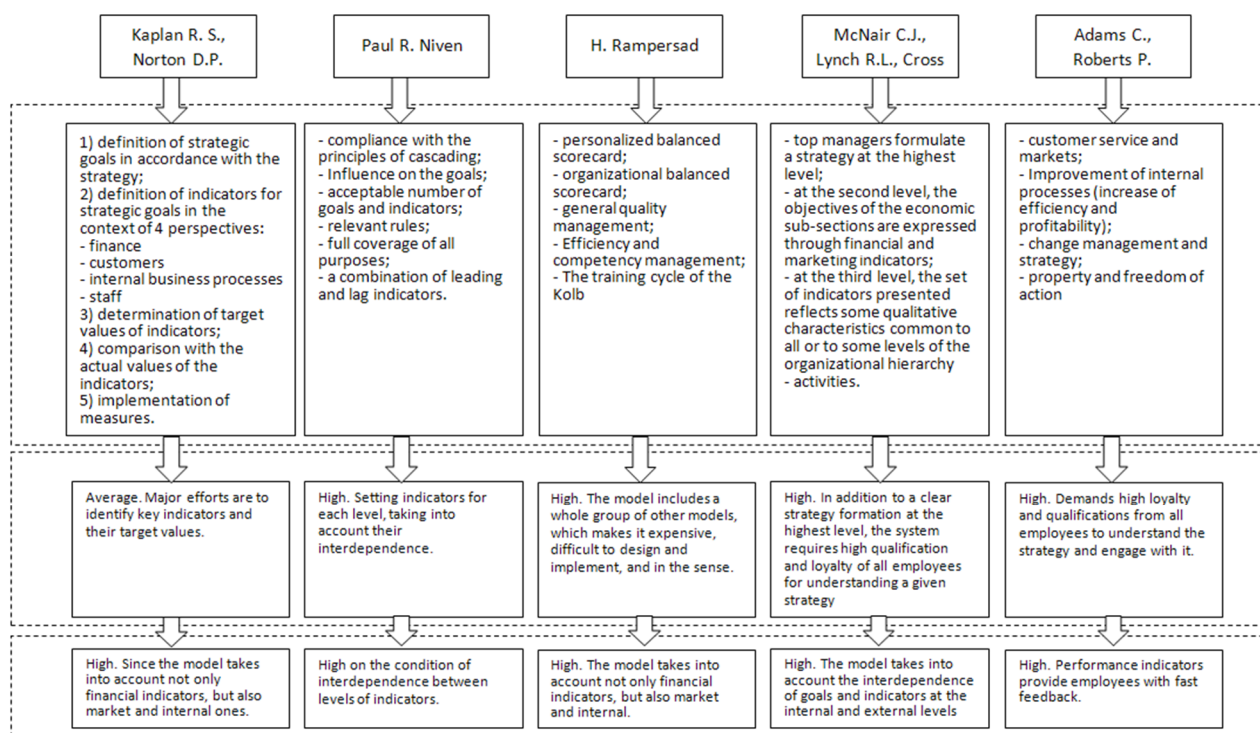


Fig. 1. Comparative analysis of the characteristics of conceptual models of the balanced scorecard [5, 10, 14, 8, 1]

The Norton-Kaplan model is recognized as the most demanded in the practical activity of enterprises (Balanced Scorecard, R. Kaplan, D. Norton) [5]. The main idea of this BSC model is to transform the strategy into a targets for specific business areas in the form of key indicators. The Norton Kaplan methodology includes three main steps and procedures that provide them: development of a strategic map; drawing up a tactical map of balanced indicators of foreign economic activity; implementation of planning processes, information gathering, tracking of actual values of indicators and control. However, the essence of this concept is to determine the causal relationships between individual financial, non-financial indicators and elements of foreign economic activity of the enterprise. The logic of the relationship between individual indicators is *the essence of the implementation of this "balancing"* [5]. In search of overcoming problems concerning the balance between indicators and divisions and foreign economic activity in the BSC, the development of key benchmarks is proposed, which is phased and covers four main areas (perspectives): international finance, customers in foreign markets, internal business processes, training and development. Consequently, as a result of the development of a strategic map of the BSC, a system of metrics based on a "goals tree" is formed. This "goals tree" allows you to get a description in the form of tactical tasks and programs for each specific strategic goal. These programs are aimed at improving local indicators for all prospects of foreign economic activity of the company at once.

The peculiarity of the following methodology for the formation of the BSC, developed by P. Niven, is the implementation of the process of "cascading".

The process of "cascading" consists in the development of balanced systems for each level of implementation of foreign economic activity of the enterprise. The purpose of cascading is to determine the possibility of assessing the contribution to the overall success of the enterprise of all groups of factors that have an impact on the development of foreign economic activity [9]. At the same time, the process of formation of BSC starts at the highest level with the corporate (general) indicator system. The goals and indicators contained in this system reflect what is considered critical variables that determine the success of an enterprise in the field of foreign economic activity of the enterprise. BSC, subsequently created at lower levels of enterprise management, should be linked to the corporate system of indicators. In order to ensure an effective result from the use of SSP P.Nivena, the following elements must be taken into account: compliance with the principles of cascading; determining the impact on the goal; the formation of a system acceptable by the number of goals and indicators, the introduction of the relevant normative values of indicators, full coverage of all objectives of the enterprise in the field of foreign economic activity, a combination of advanced and delayed indicators. "Cascading" can lead to a rapid increase in the number of indicators, so it is necessary to take into account the fact that the essence of the BSC is to focus on the main ones. In order to establish the relevant standards it is necessary to give a thorough assessment of environmental conditions, the current results of foreign trade, generate predictions for the future, etc. At the stage of full coverage of all the objectives of the enterprise in the field of foreign economic activity, it is necessary either to overestimate the need for inclusion in the general corporate system of one or another purpose, or to take measures aimed at providing additional training to employees and dissemination of information on the crucial role of this goal in achieving the long-term success of the enterprise in the foreign market.

In turn, H. Rampersad [13] considers in his writings the system of indicators of foreign economic activity of enterprises and personnel as a whole. Under this approach, Rammstead forms a universal system of indicators (USI) with quality management, performance and competencies. In USI, H. Rampersad distinguishes five elements: a personalized system of balanced indicators; organizational system of balanced indicators; general quality management; performance management and competencies management; a cycle of training in practice to change the individual and collective behavior of the Colb. This concept of forming a balanced scorecard allows us to combine the concept of learning and leadership in the process of ensuring sustainable development of the enterprise in the foreign economic area. This system also has an important practical value but requires a significant period of time to systematize the indicators of individual and corporate levels.

The group of authors: K. McNair, R. Lunch, K. Cross have proposed a model of a balanced scorecard which is called "Pyramid of Efficiency" [7]. The essence of the model is to establish the interdependence between the overall strategy of the enterprise and its performance (financial and non-financial). To spread the idea of a corporate strategy of foreign economic activity at different levels of the hierarchy, a pyramid of efficiency is created.

This pyramid includes four levels of organizational structure that operate through two-way communication systems. Accordingly, whole enterprises in the field of foreign economic activity are spread from higher levels of organizational structure to lower ones. At the same time, the peculiarities of each level are taken into account, while the indicators of external economic activity are transmitted - from the lower level to the higher. The strategy of foreign economic activity is formulated at the highest level. Financial and marketing indicators are key at the second level, because the goals of business units are expressed through marketing and finance. As for the third level, this level does not correspond to any level of the organizational hierarchy. Third-level indicators are connecting between higher and lower levels. The third-level indicator group reflects some qualitative characteristics that are common to all or part of the levels of the hierarchy of a balanced scorecard of enterprise performance in the field of foreign economic activity. Using this conceptual model of a balanced scorecard in the field of foreign economic activity allows to include in the process of evaluation, not financial indicators, among which the main advantage is given to the marketing component. The proposed model by Christopher Adams and Peter Roberts is named EP2M (Effective Progress and Performance Measurement) [1]. In accordance with this conceptual model of the formation of a balanced scorecard, account is taken of the foreign economic activity of the enterprise in the following four directions: servicing overseas clients and markets; Improvement of internal processes (increase of efficiency and profitability); change management and strategy of foreign economic activity; property and freedom of action in the field of international business.

The use of this system of indicators is aimed at ensuring the implementation of the enterprise's foreign economic strategy, as well as the formation of a corporate culture with the elements of learning, since constant changes penetrate into all internal processes of the enterprise. According to the model of ER2M indicators of the efficiency of foreign economic activity of the enterprise should provide information support to employees who make decisions and are responsible for implementing the strategy, fast feedback. Thus, the system of indicators of foreign economic activity based on the principle of balance is an instrument for determining the factors that play a crucial role in achieving certain results of the enterprise in the foreign market, and also provides a timely response to the rejection of the achieved results of the foreign economic activity of the enterprise from the planned ones. The analysis of the conceptual models of the formation of BSC showed that the most acceptable in the foreign economic sphere of domestic enterprises is a model proposed by professors D. Norton and R. Kaplan. It provides the most comprehensive coverage of various aspects of the operation of the enterprise in the foreign market has a fairly high resistance to manipulations and errors at the individual level. In a sense, this conceptual approach is a compromise between technology and information resources, infrastructure and corporate culture that are relevant to Ukrainian enterprises in the modern business model.

2. Methodical maintenance of a balanced scorecard of foreign economic activity of the enterprise

The first stage of the formation of the BSC of the enterprise is the specification of its mission and strategy in the field of foreign economic activity. It is important to understand precisely the mission and strategy of the company in the foreign market, since it will depend on the correctness of the definition of formal goals, which in future will be the basis for an assessment of the implementation of appropriate measures to improve the efficiency of foreign economic activity. Formalization of the goals of the enterprise in the field of foreign economic activity should be considered in the context of four basic prospects. It should be noted that the formalized goals formed in each of the prospects of the BSC can have a different degree of priority, and the complexity of the chosen indicator determines the quality of the whole system of balanced indicators and greatly affects the management process of foreign economic activity of the enterprise. Understanding the semantic content of formalized goals with lower level indicators and determining causal relationships will help to assess the state of foreign economic activity of the enterprise as a whole with all perspectives and to determine the sequence of implementation of certain measures to improve the foreign economic activity of the enterprise. The semantic content of the key indicators for evaluating the development of an industrial enterprise in the foreign market is given in tabl. 1

Table 1. Semantic content of key indicators of evaluation of the effectiveness of foreign economic activity of an industrial enterprise

Key indicator	Symbolic designation	Semantic content
1	2	3
International financial and economic aspect		
Net profit from foreign economic activity	$NP = R - C - C_m - E_c - E_o - T$	R - revenue from exports; C - cost of exported products; C_m - management costs related to foreign economic activity; E_c - commercial expenses connected with foreign economic activity; E_o - other expenses related to foreign economic activity; T - deducted taxes
Net income from sales of export products	$NI = P * Q_p$	P - the price of sales on the foreign market; Q_p - quantity of the exported products.
Cost of sold export products	$CS = CB_B * K_{II}$	C_p - cost of sold export products; Q_p - quantity of the exported products.
Customers in foreign markets		
The volume of sales to new foreign customers / new export goods	$VS = (CE + P_{wi}\%) MP_u$	YB - conditionally permanent industrial production expenses associated with foreign economic activity $P_{wi}\%$ - profit from foreign economic activity without deducting interest

Return on sales of exports	$ROS_e = NP/NI$	NP – net profit from foreign economic activity; NI – net income (revenues) from foreign economic activity
Marginal profit from foreign economic activity	$MP = R_s - VE$	R_s – revenue from sales on the foreign market (excluding VAT); VE – variable expenses on foreign economic activity
Variable costs for foreign economic activity	$VC = C_{mm} + C_m + E + F + S_w$	C_{mm} – costs of raw materials for export products;; C_m – costs for materials for export products; E – costs for electroenergy; F – fuel costs; S_w – salaries for wages
Percentage performance delivers	$\%PD = (D_a * 100\%)/D_p$	D_a – actually delivered deliveries to foreign markets; D_p – planned quantity of deliveries
Coefficient of satisfaction of the demand for export products	$C_{SD} = C_{ep} / (N_p * PN_{ep})$	C_{ep} – potential capacity of the market of export production of the enterprise; N_p – potential number of foreign consumers of export products; PN_{ep} – the potential number of export products per foreign customer per year
Frequency of purchases on the foreign market	$FP = \frac{\sum QP_i}{\sum P_i}$	QP_i – quantity of purchases of the i-th client; P_i – the period for which the purchases of the i-th client are made
Internal business processes		
Profitability of exports	$P_E = NP / C_p$	NP – net profit from foreign economic activity; C_p – cost of production of export products
Level of self-sufficiency by innovative projects	$L_{SS} = Qpp / Qpr$	Qpp – quantity of projects submitted by the personnel in the field of foreign economic activity; Qpr – the total number of projects at the enterprise
Cost of exported products	$C_{ep} = C_p + C_r$	C_p – costs of production of export products; C_r – costs for realization of export products
Return on assets from foreign economic activity	$ROA_f = Ps/FA$	Ps – profit from sales of products in foreign markets; FA – fixed assets
Fundedness of foreign economic activity	$F_{fea} = FA/Ps$	Ps – profit from sales of products in foreign markets; FA – fixed assets
Labor productivity in the international market	$LP = Wa/S$	Wa – the amount of work per unit time; S – number of staff
The material consumption of the exported products	$M_c = Me/V_p$	Me – material expenses for export products; V_p – volume of production of export products

Staff in the international environment		
The level of staff satisfaction in an international environment	$L_{ss} = 1 - W_r / E$	W_r – the number of retired workers at their own discretion; E – total number of employees.
Average length of work of employees	$L_{Wa} = E_{total} / E$	E_{total} – total work experience of all employees; E – total number of employees
Share of workers with higher education	$W_{he}(\text{share}) = \Pi_B / E$	W_{he} – number of workers with higher education; E – total number of employees
Fluidity of personnel in the international environment	$F_p = W_d / E$	W_d – the number of dismissed workers, E – total number of employees
The coefficient of employees who have passed specialized training in the field of foreign economic activity	$C_{sp.tr.} = \frac{W_{sp.tr.}}{E}$	$W_{sp.tr.}$ – number of employees who have passed specialized training at the international level; E – total number of employees
Efficiency of organizational culture	$E_{oc} = NP / OC_v$	NP – net profit from foreign economic activity; OC_v – organizational culture in value terms

A systemic analysis of the lower level indicators should be carried out with a view to clearly and unambiguously expressing the content of formalized objectives, as well as to determine their degree of achievement at the target values. The control charts of the BSC show the possible key indicators for the industrial enterprise (Figures 2, 3). After choosing the indicators of the BSC enterprises in the field of foreign economic activity it is needed to determine their target values. Target values should be specific, but quite achievable. In determining the target values of indicators, it is necessary to adhere to the following principle: the balance of formal goals should be reflected in the balance of the target values of the indicators that are described. That is, the target values of the indicators should correspond to the causal relationships of the strategic objectives of the enterprise. The final stage of the implementation of the BSC is the development of practical measures to improve the foreign economic activity of the enterprise.

Measures help to specify goals and link the foreign economic strategy of the enterprise with the operational tasks of employees of individual units of the enterprise. Thus, the key idea of a balanced BSC is in the expression of the strategy of foreign economic activity of the enterprise through the stage of evaluation of indicators in specific internal processes and actions of the enterprise. As a result, measures become the basis for the distribution of internal reserves of enterprise development within the framework of the foreign economic strategy of the enterprise. In other words, the definition of measures is based on a comparison of the notions about the formalized goals of the development of foreign economic activity with the available internal resources.

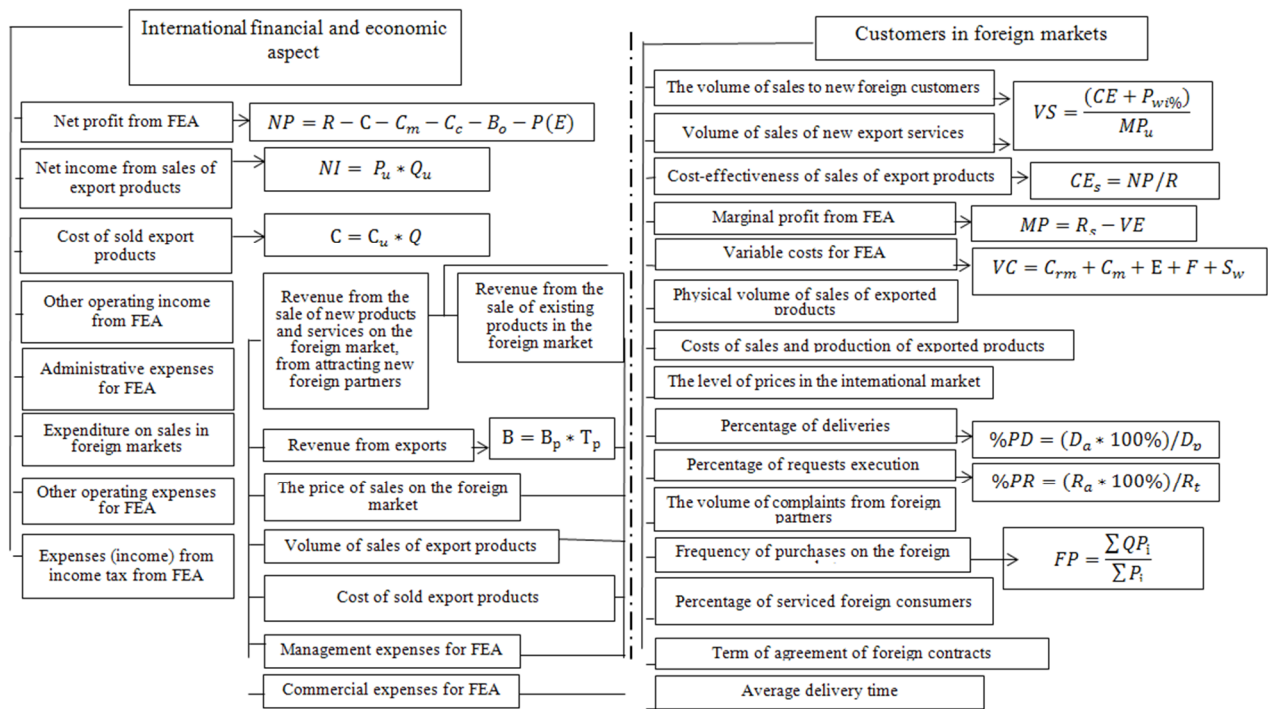


Fig. 2. Recommended control maps of the BSC of the industrial enterprise in terms of prospects: international finance and foreign clients

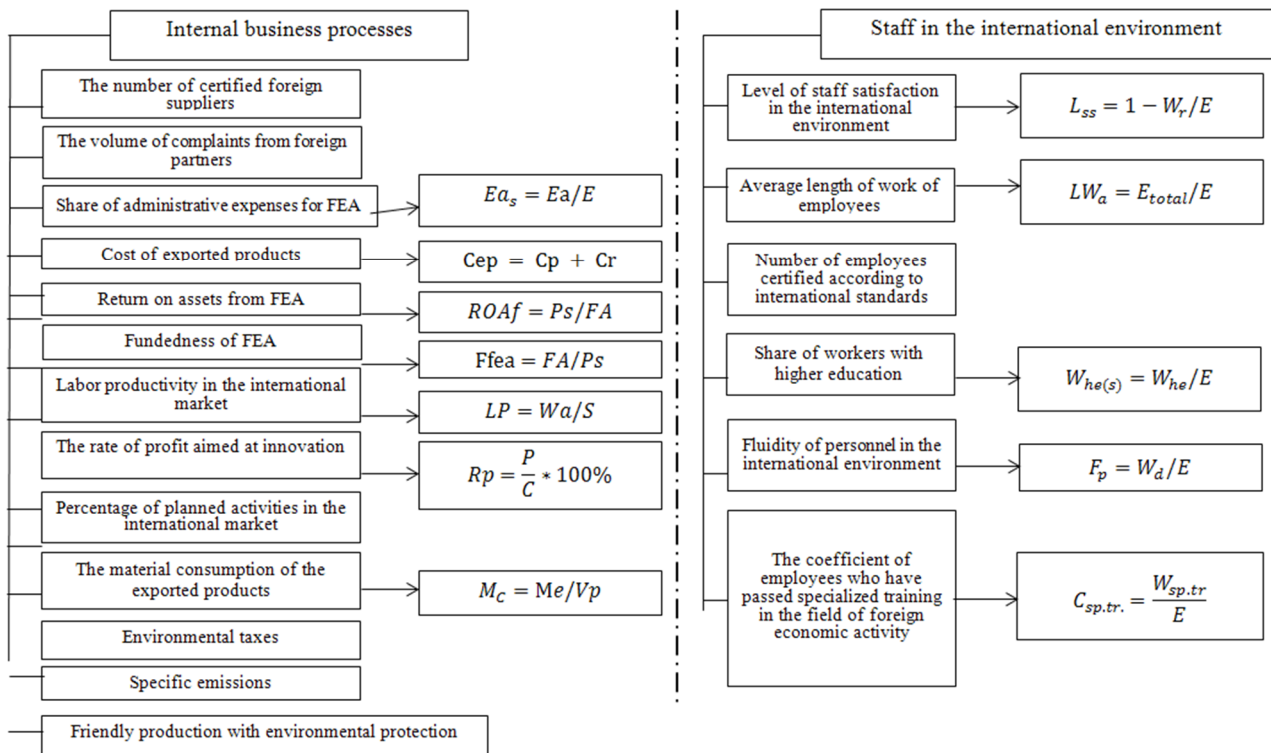


Fig. 3 Recommended control maps of the industrial enterprise BSC on the prospects of internal business processes and the training and development of personnel in the international environment

3. Estimation of Balanced Scorecard System in International Business

Research practical value of the proposed balanced scorecard was carried out based on factor analysis method of chain substitutions primary data of State Plant for Chemical Reagents STC of «Institute for Single Crystals» of the NAS of Ukraine. The formulation of the Mission, Vision and Strategy of the State Plant "Plant of Chemical Reagents" in the field of foreign economic activity can determine the quality of products and human potential as key factors of success and determine the strategic objectives of foreign economic activity. Tracking the cause-effect connection of key factors of success, as well as the choice of indicators of effectiveness, creates the basis for transforming abstract strategic representations into real tactical management decisions of the enterprise in the foreign market. Using the methods of expert ranking, constructing a goal tree, content analysis, and based on the mission of the State Enterprise "Plant of Chemical Reagents", strategic objectives of the enterprise and their cause-effect links were mapped, which are schematically represented in the form of a strategic map (Fig. 4).

According to the developed strategic map, the main strategic goal of the "international financial and economic aspect" is to increase the profitability of the State Enterprise "Plant of chemical reagents", which can be achieved by increasing the profit from the sale of existing medical substances, and- increasing the profit from the sale of new products/to new partners. In the context of the prospect of "partners in foreign markets" the main strategic goal is to increase the share of the external market, which is already directly influenced by other strategic objectives, such as maintaining cooperation with partner enterprises, cooperation with new enterprises in the CIS countries, etc. For the perspective of internal business processes, it is characterized by the fact that the allocated strategic prospects, although they have an impact on the strategic goals in the context of this perspective, but some of them directly affect the strategic goals of the prospects of "partners in foreign markets" and "international financial and economic aspects." The basis for the "training and development of personnel in the international environment" is the increase in the level of motivation of staff and the formation of a team of highly skilled personnel.

Based on the methodology developed in this study for the formation of BSC in the field of FEA, the number of complex indicators of the effectiveness of FEA enterprises is limited, which allows you to focus on important processes. In order to evaluate the resulting indicators and to determine the impact of constituents on their significance, it is necessary to analyze their changes. The dynamics of changes in the results of FDI surveyed enterprises for 2015-2017 is presented in tab. 2.

As a result of the evaluation of the values and dynamics of the performance indicators of the FEA of the State Enterprise "Plant of Chemical Reagents" some trends in the change of the basic indicators were revealed. In 2016, as compared with 2015, the most significant change in the level of self-sufficiency in innovative projects has changed.

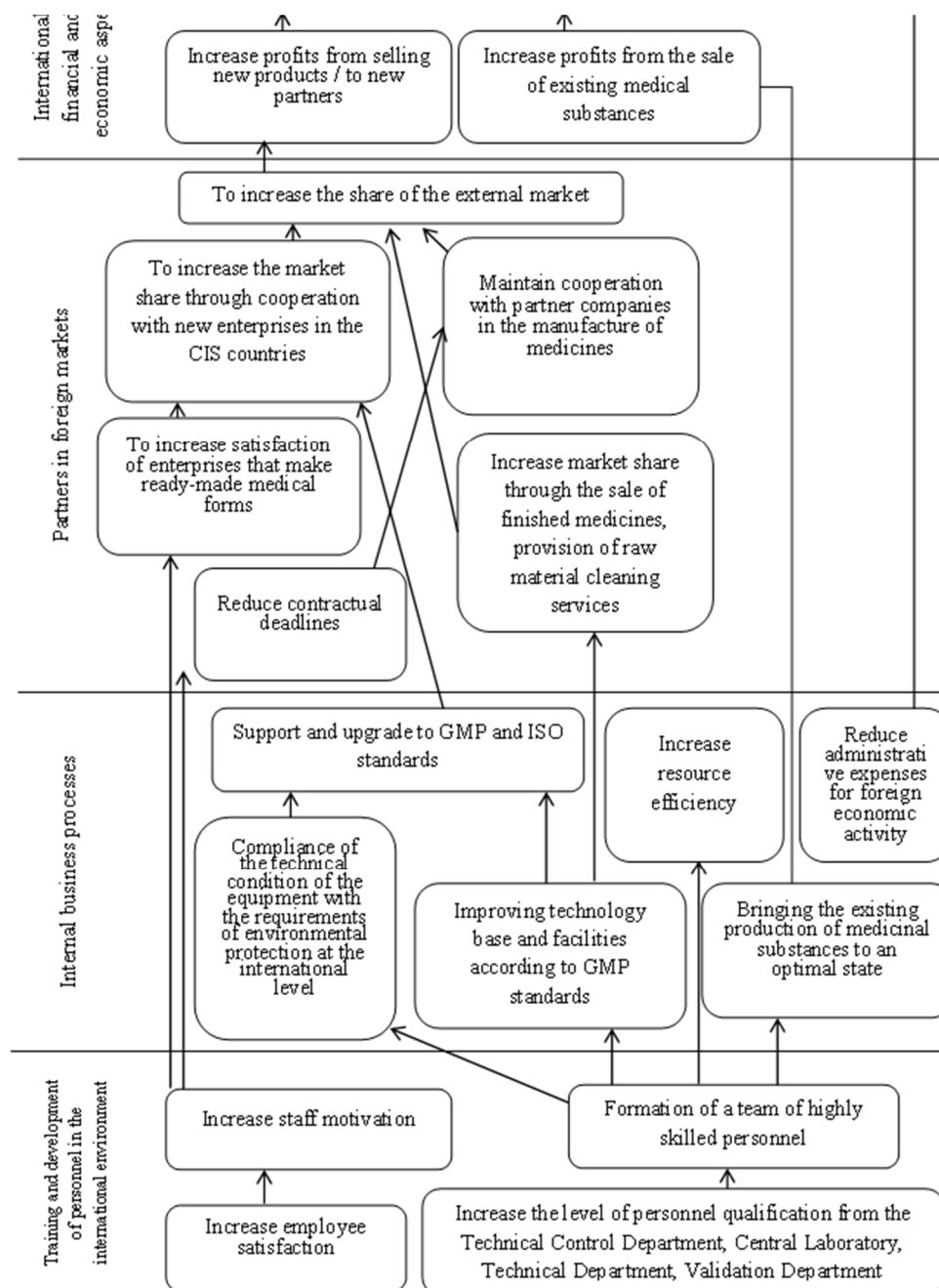


Fig. 4. Strategic map of the ZSP State Enterprise "Plant of chemical reagents"

This was mainly due to the number of projects submitted by the personnel in the field of foreign economic activity, as a result of a significant restriction of exports in connection with the aggravation of political relations between Ukraine and the Russian Federation. However, in 2017, compared with 2016, the growth of this indicator decreased significantly, and the structure of the influence of its components almost did not change.

Table 2. Output data of the estimation of the results of foreign economic activity of the state enterprise "Plant of chemical reagents"

Performance Indicator	2016	2017	2018	Absolute deviation		Growth rate,%	
				2017	2018	2017	2018
1	2	3	4	5	6	7	8
Net profit from foreign economic activity, ths. UAH	488	842	1023	354	180	73	21
Volume of sales to new foreign customers / new export goods, ths UAH	0	13	63	13	50	-	385
Delivery percentage,%	86	96	102	10	6	12	6
The coefficient of satisfaction of the needs of the enterprise's export products	0,85	0,90	0,71	0,05	-0,19	6	-21
Frequency of purchases on the foreign market, purchase / month	1	2	2	1	0	100	0
Material consistence of exported products	0,48	0,58	0,65	0,1	0,07	21	12
Return on assets from foreign economic activity	6,8	6,9	6,3	0,1	-0,6	1	-0,08
Cost-effectiveness of sales of export products, ths UAH	0,19	0,29	0,26	0,10	-0,03	49	-9
Level of self-sufficiency by innovative projects	0,14	0,33	0,40	0,19	0,07	133	20
Labor productivity in the international market, kg / person	183	39	89	-143	50	-78	-42
Level of staff satisfaction in the international environment	0,95	1	0,99	0,05	-0,01	5	-1
The coefficient of employees who have passed specialized training in the field of foreign economic activity	96	169	212	73	43	76	25
Fluidity of personnel in the international environment	0,05	0	0,01	-0,05	0,01	0	0
Share of workers with higher education, people	1	1	1	0	0	0	0
Profit from organizational culture	0,06	0,11	0,02	0,05	-0,09	86	-78

Also, high growth rates in 2016 were observed for such indicators of performance as: net profit from FEA, the frequency of purchases on the foreign market, the profitability of sales of export products, the coefficient of employees who have passed specialized training in the field of foreign economic activity, the returns from organizational culture. However, in 2017, most indicators had a downward trend, and only net income from FEA grew by 20% due to the discovery of new market niches of the international market for sales of products. The largest impact on this indicator in 2015-2017 was the price of sales of export products and their volumes (fig. 5). Their total share of influence on the effective index for the period under study varies from 80%. To reduce the return on organizational culture in 2017 by 78% after the growth in 2016 by 86% was affected by a significant increase in the value of the enterprise's own capital caused by the unpaid transfer of non-current assets of enterprises, which was conditioned by the organizational features of the enterprise within the limits of a single scientific and technological concern (Fig. 5-7).

When analyzing the share of the influence of the basic indicators on the change of the resulting indicators in the context of the international financial and economic aspect, it is necessary to allocate the price of the sale of export products and the volume of export products, their impact is almost half of all indicators. It should be noted that the share of the influence of the price of sales of export products has decreased from 51% to 37%, while sales volumes increased from 42% to 50%, which is explained by the fact that the export product portfolio again appeared oksanaftilin.

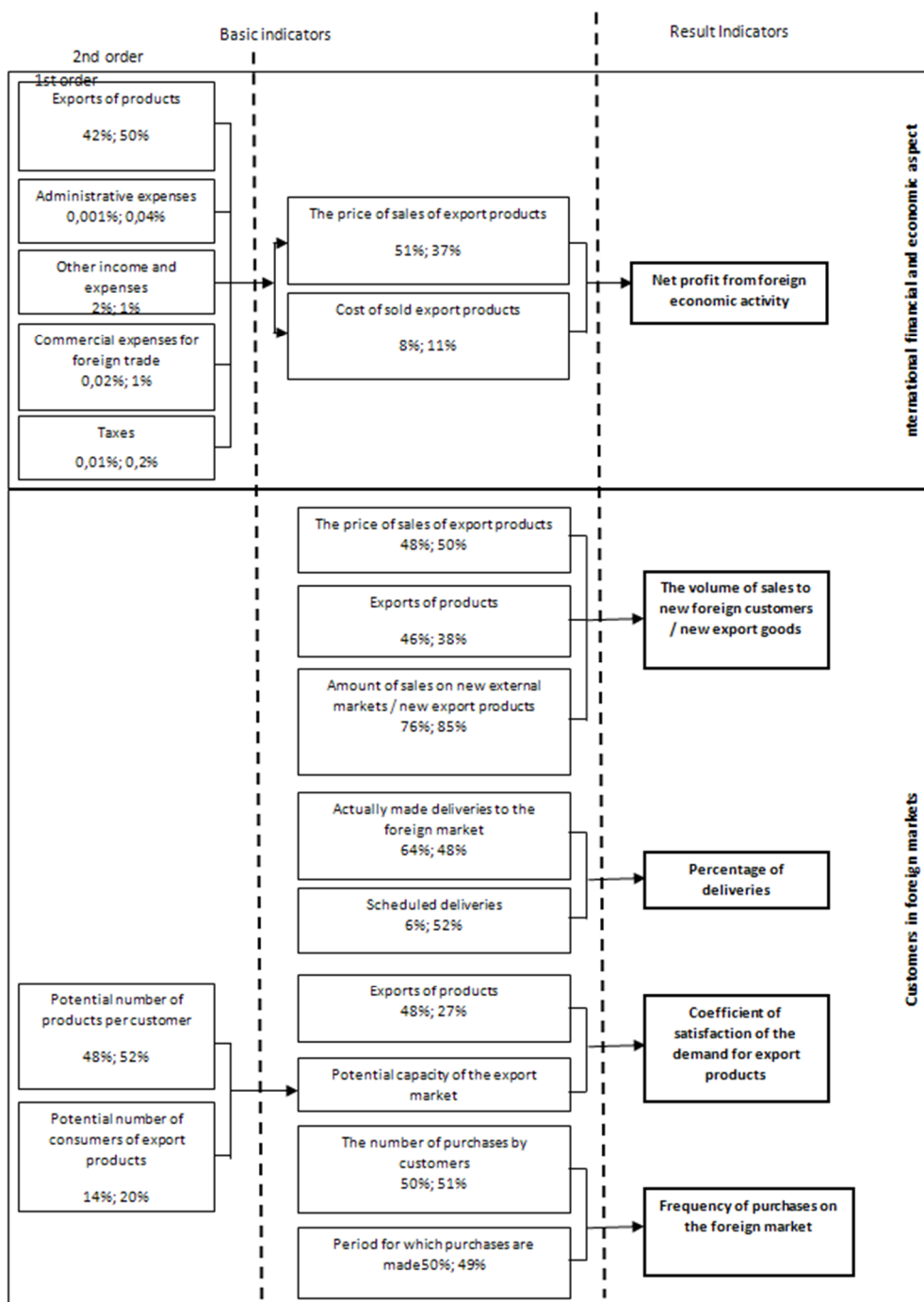


Fig. 5. The share of the influence of the basic indicators on change of resulting indicators of prospects of the international financial/economic aspect and customers in the foreign markets of SE "Plant of chemical reagents" for 2015/16 and 2016/17 years

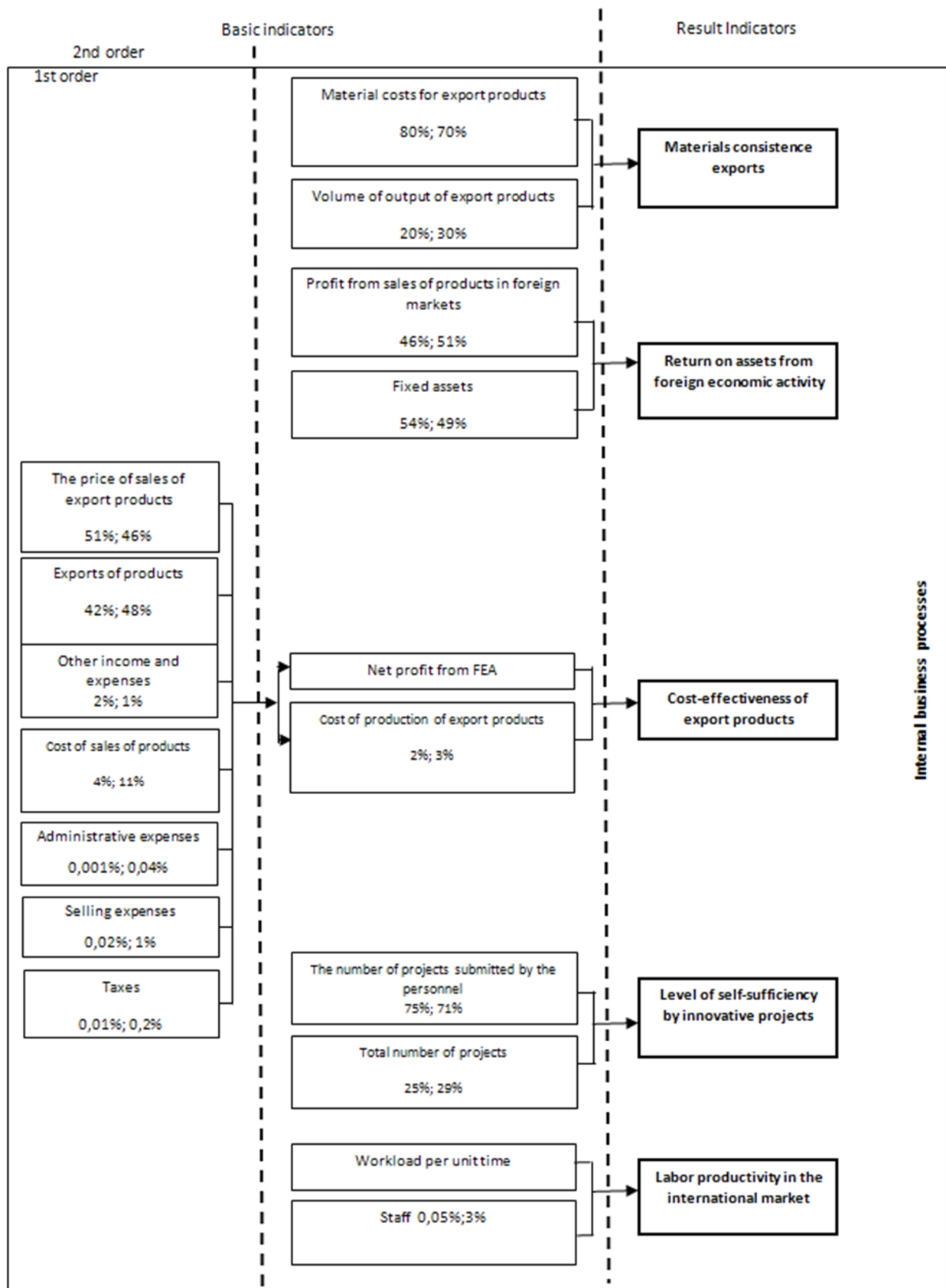


Fig. 6. Share of the influence of the basic indicators on the change of the resulting indicators of the prospects of internal processes of the State Enterprise "Plant of Chemical Reagents" for 2015/16 and 2016/17 years

In the future, customers in foreign markets, each of the basic indicators has a significant impact on the resulting, their share varies from 14% to 85%. The largest share of the volume of sales in foreign markets / new export products is in sales volume, which was 76% in 2016, and 85% in 2017. The frequency of influence of other indicators is about half and tends to both decrease and increase.

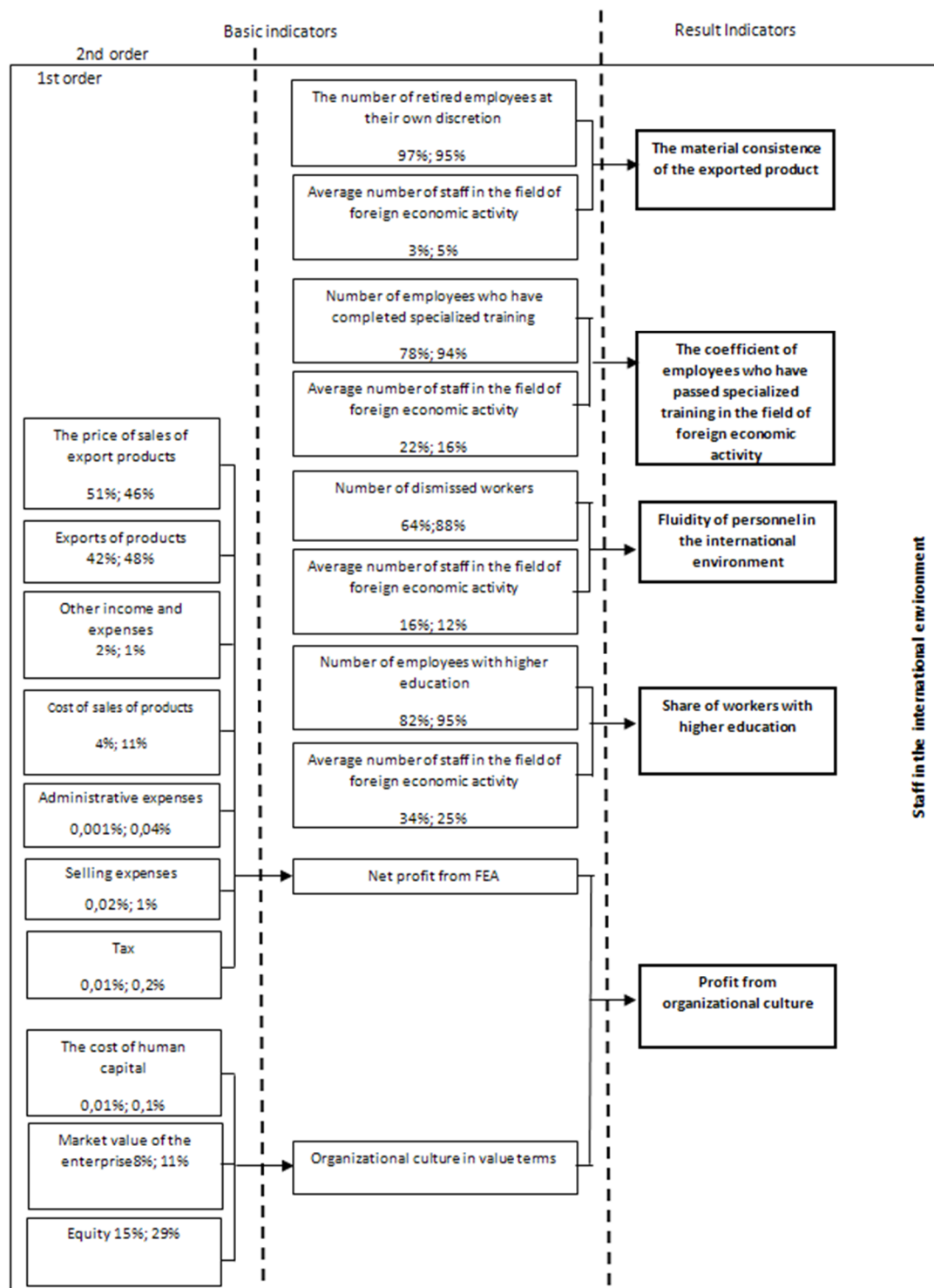


Fig. 7. The share of the influence of the basic indicators on the change of the resulting outcomes of the prospects of personnel in the international environment of the State Enterprise "Plant of Chemical Reagents" for 2015/16 and 2016/17 years

The analysis of the influence of the base indicators on the change in the result indicators of the outlook of the internal business processes shows that the material impact on the material resources of the exported products has a material cost, which in 2016 made up 80%, and in 2017 - 70%. The number of projects submitted by the personnel has a significant impact on the level of self-sufficiency of innovative projects, which is ranging from 71-75%, and the price and volumes of sales of export products has an impact on the profitability of export products.

Regarding the prospect of "staff in the international environment the level of staff satisfaction, staff turnover in the international environment, the ratio of employees who have passed specialized training in the field of foreign economic activity and the share of workers with higher education have the number of freelance workers, the number of employees dismissed, the number of employees who have passed specialized training and the number of employees with higher education, ," have the significant impact on the resulting indicators, their share ranges from 64% to 97%.

Indicators that have the most significant impact on the resulting indicators require regular monitoring and control. Other, with less impact, are auxiliary. Their change has a medium and long term exposure period and can be investigated by the enterprise at longer intervals.

The implementation of the BSC will allow the company to analyze in detail internal and external processes, respond to the needs of foreign partners based on their own capabilities, understand the needs and staff satisfaction, analyze and monitor financial indicators in line with changes in the international environment. In this way, the ZSP will allow a comprehensive assessment of the enterprise's foreign economic activity and the establishment of appropriate measures to increase its efficiency.

In this study, further development of BSC in the field of foreign economic activity was developed and the conceptual method of its formation was developed. On the basis of the methodology implemented the BSC in the activity of SE "Plant of chemical reagents": a strategic map is constructed, control index maps are formed and their semantic content is defined, which allows us to move from the abstract goal of increasing the efficiency of the foreign economic activity of the enterprise to specific goals, indicators and interrelationships between them. Thus, the proposed methodological approach has theoretical and practical value in the activities of domestic enterprises. In the development of ZSP enterprises participate at all levels of the enterprise, which ensures staff awareness of the tasks and better understanding of the characteristics of entrepreneurial activity in the foreign market.

Conclusions.

The proposed methodology for BSC formation in the given study in relation to the subject of FEA offers the management of the company a completely new management tool, which is a set of interrelated indicators that allow to assess the critical factors of the current development of the company in the international market, establish measures to improve the efficiency of foreign economic activity, and respond in a timely manner to changes taking place in the international arena.

Thus, the use of BSC in the field of international business enables the management of the enterprise to comprehensively analyze its activities both in financial and non-financial terms, to determine the results and basic indicators, and among them to allocate the most influential. In this way indicators are allocated that require constant monitoring and control, since their changes have a significant impact on the results of the enterprise's activities. According to the results of the study, it was determined that the development of human capital of the analyzed enterprise is due to the number of dismissed personnel and the number of employees with higher education. The effectiveness of internal processes is largely dependent on the cost of fixed assets, material costs from the export products and the innovation of the production process. In the financial perspective, the most significant indicator is the price of products. The client component has a significant impact on sales, purchasing power and life cycle of products. The results are in line with the international business models that focus on the innovative stages of the production process, the transfer of the most costly stages to cheap labor markets, increase sales in foreign markets with high purchasing power and the introduction of marketing measures to reduce the implementation period of purchases.

Consequently, the introduction of a BSC proposed by the authors will allow to comprehensively evaluate the enterprise's foreign economic activity based on the principles of the system approach, improve the process of making management decisions at all levels of management of the foreign economic activity of the enterprise, provide active participation of personnel in the functioning of internal processes in order to ensure a stable tendency to increase the efficiency of foreign economic activity. Implementation and further realisation of the formed ZSP includes improvement of the information base of the enterprise in the external sphere, which will enable the introduction of a new system of operational accounting and document circulation to ensure timely and flexible reaction of the enterprise to external changes.

References.

1. Adams C., Roberts P. You Are What You Measure (Manufacturing Europe 1993, Sterling Publications Ltd, 1993), 734 p.
2. Harkusha O. O. (2012). Efficiency of foreign economic activity of enterprises. Donetsk. [in Ukrainian]
3. Hrebelyk O. P. (3rd ed.) (2012) Basis of foreigneconomic activity. Center for Educational Literature.
4. Kaplan R. S., Norton D.P. Using the Balanced Scorecard as Strategic Management System. Harvard Business Review, January - February 1996, 96p.
5. Lisova L. O. (2008) Development of foreign economic activity of the subregions of the Sumy region. Sumy. [in Ukrainian]
6. Maslak O.O. (2011). Accounting, analysis and audit of foreign economic activity. Kyiv : Karavela. [in Ukrainian]
7. McNair C,J., Lynch R.L., Cross K.F., Do Financial and Nonfinancial Performance Measures Have to Agree?// Management Accounting, November 1990, 70 p.
8. Myroliubova T. V. (2012). Improvement of externaleconomic activity of the enterprise in a market economy. Yekaternyburh. [in Ukrainian]
9. Paul R. Niven, Balanced Scorecard Step by Step: Maximizing Performance and Maintaining Results (New York, NY, John Wiley & Sons Inc., 2002). – 336 p.
10. Poliakova Ya. O. (2006). Methodical basis for the formation of a balanced system of indicators of industrial enterprise // Materials of the III International Scientific and Theoretical Conference of Young Scientists and Students "Actual Problems of Economic and Social Development of the Production Sphere". Donetsk. DNTU, 122 – 125 p. [in Russian]
11. Ponomarenko V. S. (2011). Competitor: The Problem of Science and Practice: A Monograph / Kh.: FOP Pavlenko O. H.; VD «INZhEK». [in Ukrainian]
12. Ponomarenko V. S. (2003). Strategy of enterprise development in the conditions of crisis: Monograph. Kharkiv:INZhEK. [in Ukrainian]
13. Rampersad K.Kh. (2004). Universal system of performance indicators: how to achieve results while maintaining values. [in Russian]
14. Shkurupii O. V. (2012). Foreign economic activity of the enterprise. Kyiv: «Tsentri uchbovoi literatury». [in Ukrainian]
15. Skoropad I. S. (2007). Marketing support of foreign economic activity of economic subjects of Ukraine. Kyiv. [in Ukrainian]
16. Tiurina N. M. (2003). Foreign economic activity of the enterprise. Kyiv : «Tsentri uchbovoi literatury». [in Ukrainian]
17. Vichevych A.M. (2004). Analysis of externaleconomic activity. Lviv : Afisha. [in Ukrainian]