

## COMPANY STRATEGIC DEVELOPMENT IN THE CONTEXT OF ENSURING ITS FINANCIAL SECURITY

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Ensuring the development of companies as one of the conditions for the country's economic sustainability is of particular relevance in today's environment. The development of a company largely depends on ensuring the optimal level of financial security, which is an important condition for its effective functioning. Therefore, this paper proposes to consider ensuring financial security as the most relevant and priority decision when choosing a company development strategy, which will be beneficial in most circumstances of a changing market environment. Thus, the purpose of the paper is to study the theoretical and practical foundations of ensuring financial security of a company as a strategic approach and, consequently, a guarantee of development of such a company in the long run. The paper outlines the interrelation of the concept of strategic development with the economic category of "financial security", which results in determining that financial security is the basis for ensuring the prospects for the development of business activities. The categorical and conceptual apparatus of company financial security is detailed. Thanks to the study of the essence of strategic development and financial security, an understanding of these economic categories has been formed, which has allowed to formulate a concept of company strategic development aimed at preserving and strengthening its financial security as a condition for its uninterrupted functioning. The paper describes the essence of the components of the formed concept, including, in particular, the choice of strategy, analysis of the environment, definition of tasks and methods of their implementation, implementation of the strategy, evaluation of the results obtained and, if necessary, adjustment of strategic aspects. It is determined that the course of strategic planning and, accordingly, a qualified approach to its implementation are extremely important. These key aspects can provide a foundation for the smooth functioning of companies and promote their sustainable development, which will ensure competitiveness, investment attractiveness and economic growth of the country.

**Keywords:** company, strategy, strategic development, financial security, financial condition, threats to financial security.

## СТРАТЕГІЧНИЙ РОЗВИТОК ПІДПРИЄМСТВА В КОНТЕКСТІ ЗАБЕЗПЕЧЕННЯ ЙОГО ФІНАНСОВОЇ БЕЗПЕКИ

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Забезпечення розвитку підприємств як однієї з умов економічної стійкості країни набуває особливої актуальності в умовах сьогодення. Розвиток підприємства значним чином залежить від забезпечення оптимального рівня фінансової безпеки, яка є важливою умовою його ефективного функціонування. Тому у цій статті забезпечення фінансової безпеки запропоновано розглядати як найбільш релевантне і пріоритетне рішення при виборі стратегії розвитку підприємства, що буде вигідним у більшості обставин мінливого ринкового середовища. Так, мета статті полягає у дослідженні теоретичних та практичних засад забезпечення фінансової безпеки підприємства як стратегічного підходу, а отже гарантії розвитку такого підприємства у довгостроковій перспективі. У статті окреслено взаємозв'язок поняття стратегічного розвитку з економічною категорією "фінансова безпека", у результаті чого визначено, що фінансова безпека є основою обумовлення перспектив розвитку діяльності. Деталізовано категоріально-понятійний апарат фінансової безпеки підприємства. Завдяки проведеному дослідженню сутності стратегічного розвитку та фінансової безпеки сформовано розуміння цих економічних категорій, що дозволило скласти концепцію стратегічного розвитку підприємства, націлену на збереження та зміцнення його фінансової безпеки як умови безперервного функціонування. Викладено сутність складових частин сформованої концепції, серед яких зокрема вибір стратегії, аналіз середовища, визначення завдань та способів їхньої реалізації, виконання стратегії, оцінка отриманих результатів та за необхідності коригування стратегічних орієнтирів. Визначено, що вкрай важливим є хід стратегічного планування та відповідно кваліфікований підхід до його проведення. Ці основні аспекти здатні обумовити наявність фундаменту для безперервного функціонування підприємств та сприяти їх сталому розвитку, що дозволить забезпечити конкурентоспроможність, інвестиційну привабливість та економічне зростання країни.

**Ключові слова:** підприємство, стратегія, стратегічний розвиток, фінансова безпека, фінансовий стан, загрози фінансовій безпеці.

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## INTRODUCTION

For a long period of time, the development of business entities has been an important aspect not only in terms of the prospects for their activities, but also for the prosperity of the state as a whole. After all, the overall economic situation in the country depends on the business sector in particular. Ukraine is currently facing many challenges that undermine its stability, and the economic component is no exception. While the hardships and losses caused by the coronavirus pandemic and the resulting freezing of economic processes have begun to gradually smooth out, the war has dealt a devastating blow in every sense and direction that exists. Therefore, today's economic security of the state is a matter of uncertainty. In such circumstances, it is difficult for the country to survive, which is definitely not easier against the backdrop of loss-making companies. Of course, it is difficult to operate in an environment where negative circumstances from all sides affect operations. However, if possible, companies should still continue to operate, maintain their proper condition and look for ways to improve their economic and business efficiency. This will provide additional support to our country in difficult times, which is unlikely to be realized if companies themselves need support due to their own suboptimal policies that put them in a difficult position. Therefore, every company needs to have a stable economic development.

In general, the issue of company development is the focus of attention of many researchers around the world. It is widely believed that an effective way to ensure development is to formulate a strategy. In this regard, it becomes clear that in order to obtain and maintain high positions, it is important for a company to provide itself with a reliable development strategy. It is an important condition for both extraordinary and normal operating conditions and circumstances, as well as for the actual period and forms the basis for sustainable economic growth in the future. As a rule, a strategy is long-term oriented, which makes it valuable. Therefore, the issue of strategy development should be given special attention by the company's managers. Another important aspect that should be focused on is the financial security of the company, since the level of performance of the company is determined by the state of its finances. This should take into account a significant number of financial risks, external and internal threats to financial interests, an unstable operating environment and market volatility, which proves the need to consider the financial security of the company and ways to maintain it. Moreover, understanding the interconnection and complementarity of the concepts of strategic development and financial security, as well as understanding the possibilities of their effective combination, can protect the company from undesirable performance and promote its development. In fact, today there are many strategies for company development, but we propose to build a foundation and take as the main benchmark for such development, which every manager could follow when determining the company strategy, - strengthening its financial security as the basis for successful performance and economic growth. This choice will definitely not be a losing one and will provide the ground for achieving the desired goals.

Thus, it is currently difficult for business entities not only to achieve sustainable development, but also to conduct uninterrupted operations in general, given the current conditions of unstable economic functioning, martial law and other political and economic difficulties that have developed at the time of writing this paper. Therefore, the importance of ensuring the development of companies as one of the conditions for Ukraine's economic sustainability is of particular relevance. At the same time, as we have already found out, the development of a company largely depends on such an aspect as its financial security. The formation of financial security and its effective management is a rather complicated process, but it is a necessary condition for the highly efficient functioning of a company to ensure its sustainability and sustainable development. Therefore, in this paper, we propose to consider in more detail the aspects of guaranteeing development by ensuring financial security as a strategic approach to company management, which will be beneficial in most scenarios and circumstances of functioning of such a company as an economic unit in a changing market environment.

### ANALYSIS OF RECENT RESEARCHES AND PUBLICATIONS

We consider it appropriate to start literature review by building a general idea of the breadth and popularity of research in the context of strategic development and financial security. For this purpose, a rather convenient and optimal solution is to use the Scopus scientometric database.

We suggest including the following queries in the "article title, abstract, keywords" field:

- "strategic development" (SD<sub>1</sub>);
- "financial security" (FS<sub>1</sub>);
- "strategic development" AND organization OR company OR enterprise OR entity OR firm OR business OR corporation (SD<sub>2</sub>);
- "financial security" AND organization OR company OR enterprise OR entity OR firm OR business OR corporation (FS<sub>2</sub>).

Hereinafter, we refer to them as SD<sub>1</sub>, FS<sub>1</sub>, SD<sub>2</sub>, FS<sub>2</sub> respectively. At the same time, we consider it appropriate to present SD<sub>2</sub> and FS<sub>2</sub> separately in order to exclude the macro level and to specify the results in terms of the subject of our paper. The results obtained are presented in the form of a diagram (Fig. 1).

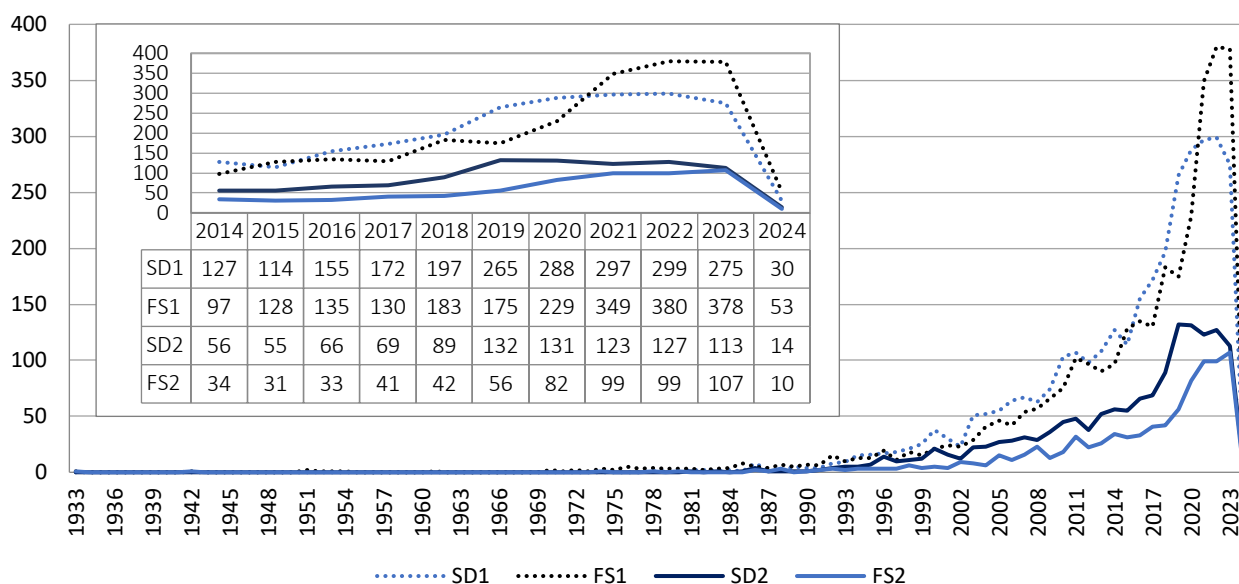


Fig. 1. Dynamics of publications on strategic development and financial security, units (results as of February 15, 2024)

Source: compiled by the authors based on Scopus data

According to Scopus data, the first publication on financial security appeared in 1933, which is almost 90 years ago. It should be emphasized that it belongs to FS<sub>2</sub>. The next publication appeared in 1942 and again in the context of FS<sub>2</sub>. This means that even then it was already possible to talk about financial security on a par with organizations. Instead, the first publication on strategic development, according to the search query, appeared in 1977, and in the context of SD<sub>2</sub> four years later – in 1981. In general, as can be seen from the diagram, during almost half of the analyzed period, there were almost no publications in the four selected areas. More dynamic trends are visible since 1975, and a truly progressive increase in research in terms of the number of publications can be traced back to the beginning of the new century, which can be considered a stage of popularization of the consideration of the above concepts and the development of science in general. The peak of research has occurred in recent years, which emphasizes the relevance of the subject matter. In general, as of February 15, 2024, the number of developments is as follows: SD<sub>1</sub> – 3316 units and FS<sub>1</sub> – 3206 units, of which SD<sub>2</sub> – 1484 units and FS<sub>2</sub> – 883 units. At the same time, we see that financial security in the context of organizations is considered much less often than at the macro level.

When considering authorship, one should pay attention to Figs. 2 and 3, where it is also possible to trace to which countries the researchers belong. In general, studies on strategic development and financial security at companies are considered by both foreign and domestic representatives. In the SD<sub>2</sub> direction, over the entire period, within which Fig. 1, no one takes any special leading positions. Instead, as for FS<sub>2</sub>, it is possible to identify the scientists with the greatest contribution to research in this area, including Zimon, G. (Poland) – 12 publications and Davydenko, N. (Ukraine) – 6 publications. The publications of the researchers are new and date mainly from 2020. As we can see, the issues of both strategic development and financial security are widely considered.

You can see something completely different if you combine the two concepts and formulate the search query as follows: "Strategic development" AND "Financial security". The number of publications available in the Scopus scientometric database is only a few, among which there are no developments in the direction of the research we propose. In fact, these results are somewhat surprising, in our opinion. Of course, the search query can be slightly modified, but this does not deny that the issue of strategic development in the context of financial security of companies is still unexplored. At least, this is evidenced by the lack of combinations of the analyzed concepts in the title, abstract, or keywords of the publications provided by Scopus. That is why this once again proves the need to consider the topic.

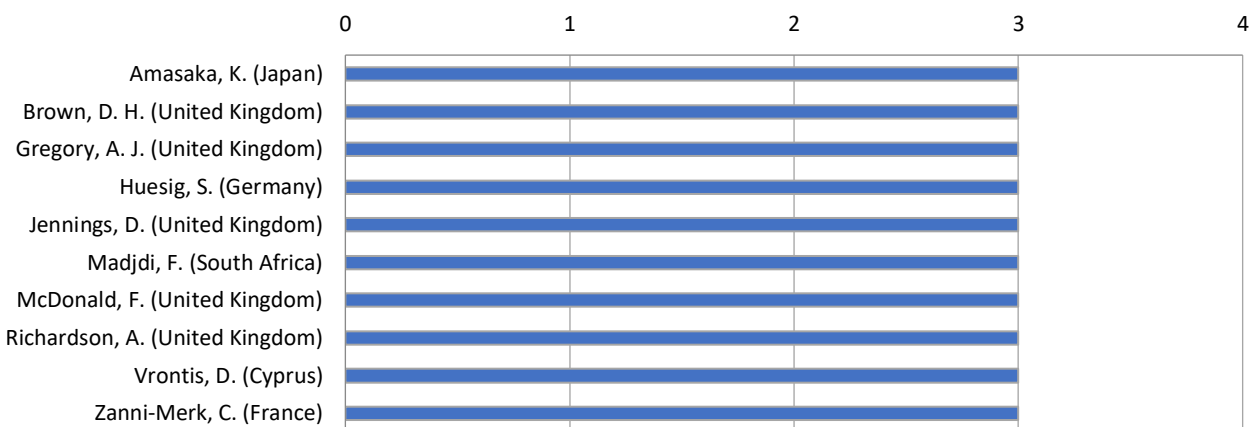


Fig. 2. The number of SD<sub>2</sub> publications by authors (up to 10), units.

Source: created by the authors based on Scopus data

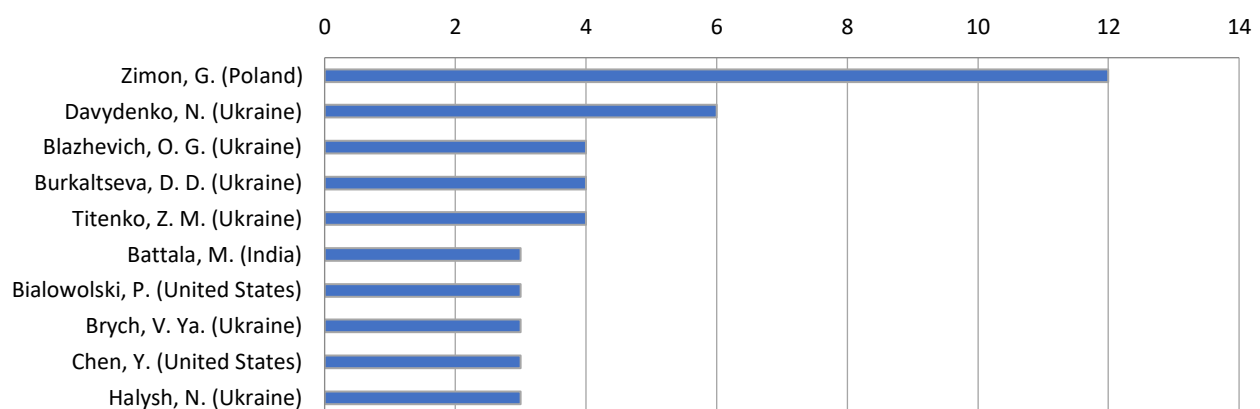


Fig. 3. The number of FS<sub>2</sub> publications by authors (up to 10), units.

Source: compiled by the authors based on Scopus data

If we analyse Google Academy in relation to the latest domestic publications, similar trends are evident. However, this does not diminish the value of research. Thus, the issue of strategy and company development is of concern to such contemporary authors as Kabachenko D., Shelest P. [6], Konoplyanko D. [8], Rudachenko O., Alfyorov O. [11], and others. Recent publications by such authors as Levkevets N. [9], Hrynychuk T. [3], Zabediuk M. [15] and others have been devoted to the

financial security of companies. Instead, we would like to pay special attention to the work of such scholars as I. Khymych, T. Vynnyk, N. Konstantiuk, N. Tymoshyk and N. Yuryk [7], in which the authors consider the financial security of a company as an anti-crisis management method, and therefore prove the importance of financial security for its long-term existence. Also, it is necessary to pay attention to the research of such authors as Minakova S.M., Mekhovych S.A. [12], who determined that "the essence of financial security of a company is the ability of a company to independently develop and implement a financial strategy in order to ensure competitiveness and sustainable development". In our opinion, this opinion is extremely valuable in the framework of our study, so we consider it appropriate to quote it. Finally, we would like to mention Puzyryova P.V. [10], as the author considers financial and economic security as a factor in ensuring the development of companies, which is also a significant contribution to research in the analysed area.

Thus, modern science confirms that financial security is a path to development. However, the issue of strategic development of a company in the context of financial security is not fully disclosed today. This suggests that increasing research on this topic is not only justified, but necessary, which will also help identify the best opportunities to improve the efficiency of the domestic business sector, and thus the economic development of Ukraine.

### RESULTS OF THE RESEARCH

First of all, it is necessary to consider the essence of strategic development of a company. Analysing the modern literature, it can be noted that the concept of "company development strategy" is often considered along with the category of strategic development. Thus, according to Konoplyanko D. the interpretation of the company development strategy is as follows: "an innovative, flexible action plan in the long term, based on the study of the internal and external environment of the company" [8]. This definition provides an understanding of the concept, even though it is not detailed. Kabachenko D. and Shelest P., in turn, write that "the company development strategy is a long-term plan that combines the main objectives of a set of decisions on choosing the direction of company development, models of actions for the effective use and formation of its potential, and also enables successful overcoming of the main stages of development by creating favourable external and internal conditions" [6]. In addition, we would like to point out that, according to such authors as Dykha M. V., Dykha V. V., Mulyarevych A. G. strategy is a generalised model of company actions that allows achieving sustainable competitive advantages and "determines the level of its economic security" [2]. The value of this opinion in explaining the essence of the concept, in our opinion, lies in the direct mention of economic security, of which financial security is a part. After all, authors often omit this concept in their works, or use other terms that mean ensuring economic security. This is not wrong, but it is worth noting in our paper. We will also present our own approach to the interpretation of the company development strategy, which was formed in the course of the analysis, in particular, a generalised long-term model of actions based on the totality of its goals, decisions and factors of influence that determine the movement of the company towards achieving positive changes in its activities. In fact, the above definition is general in nature and, for example, does not specify what kind of positive changes are meant, as there may be many of them. However, we understand that most often we are talking about improving the conditions and scale of business, financial performance, financial condition, financial security, etc.

When it comes to managing a company's operations, management must think in the long term, planning ahead. It is in this context that we are faced with the need to formulate strategies that can ensure the optimal level of development of the company. To do this, we must first of all clearly understand the potential of a company, which directly depends on its actual state of financial security. In our opinion, the state of financial security of a company is the basis on which to build a strategy. It should be noted that strategies are diverse, and their development may be based on a large number of factors and circumstances. However, in essence, they all work in the same direction - to define a company as efficiently functioning, which automatically means an optimal reproduction process, profitability, and a high level of financial standing and financial security. This leads to the idea that there is a relationship between strategic development and financial security, which, in our opinion, is

determined by the mutual influence of the concepts on each other (Fig. 4). On the one hand, development is impossible without financial security, and on the other hand, the right approach to strategy is a guarantee of this security. In other words, while an effective development strategy ensures a high level of financial security, the optimal level of financial security contributes to the effective development and implementation of the company's strategy. In essence, this allows us to say that the strategy of a company that wants to gain a position of sustainable development should be primarily aimed at ensuring a high level of its financial security. This is an obvious and undoubtedly winning solution for the strategic development of a company in most cases. In addition, it should be noted that in the above example of the interconnection of the analysed concepts, the role of strategy in the company as a way and a link between what the company wants to achieve and the direct implementation of the desired in life is clearly traced.

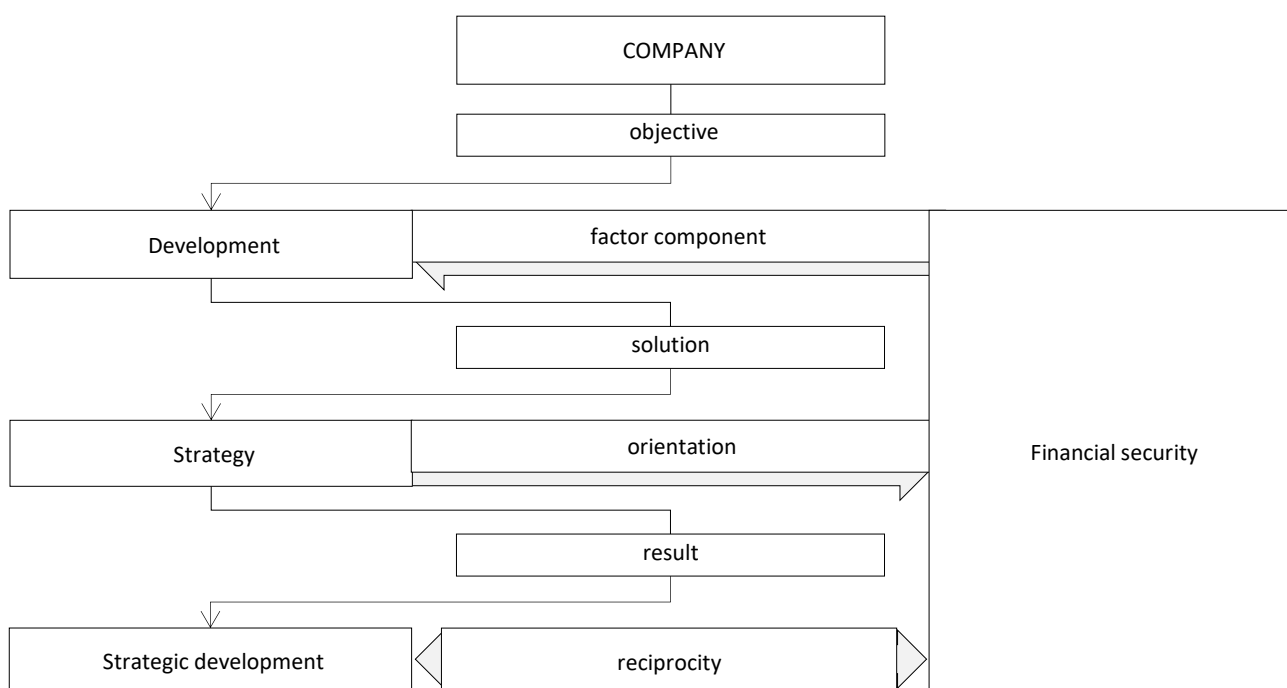


Fig. 4. Interrelation of the concepts of "strategic development" and "financial security"  
Source: developed by the authors

Turning to the analysis of financial security, according to such authors as Grinchuk T. P., Sirokha I. O. [12] and Urazova G. O., Gurbanova N. N. [14], one of the main tasks of financial security at the company is to ensure sustainable development of the company, which, by the way, we wanted to demonstrate through the preliminary illustration. As for the definition of the essence of the category itself, as noted by Bilyak Y.V. [1], the breadth of the concept, and therefore the diversity of its interpretation, is undeniable, as is the economic category "finance". Therefore, as of today, there is no single definition of the concept. According to the scientist, the existing definitions mostly claim to reflect only certain aspects of financial security and, by no means, to be unambiguous and exclusive. This opinion makes sense and we can agree with it, because financial security is indeed a broad and multifaceted concept. In our view, the financial security of a company is the basis of its effective operation, which directly characterises the state of the company in terms of its security and ability to withstand both existing and potential external and internal threats, allowing it to move in a certain direction of sustainable economic development.

Returning to the statement about the expediency of the strategic development of a company in the context of its financial security, it is necessary to form an understanding of how to implement the plan for the strategic development of a company. Figure 5 presents a general vision of strategy implementation in practice.

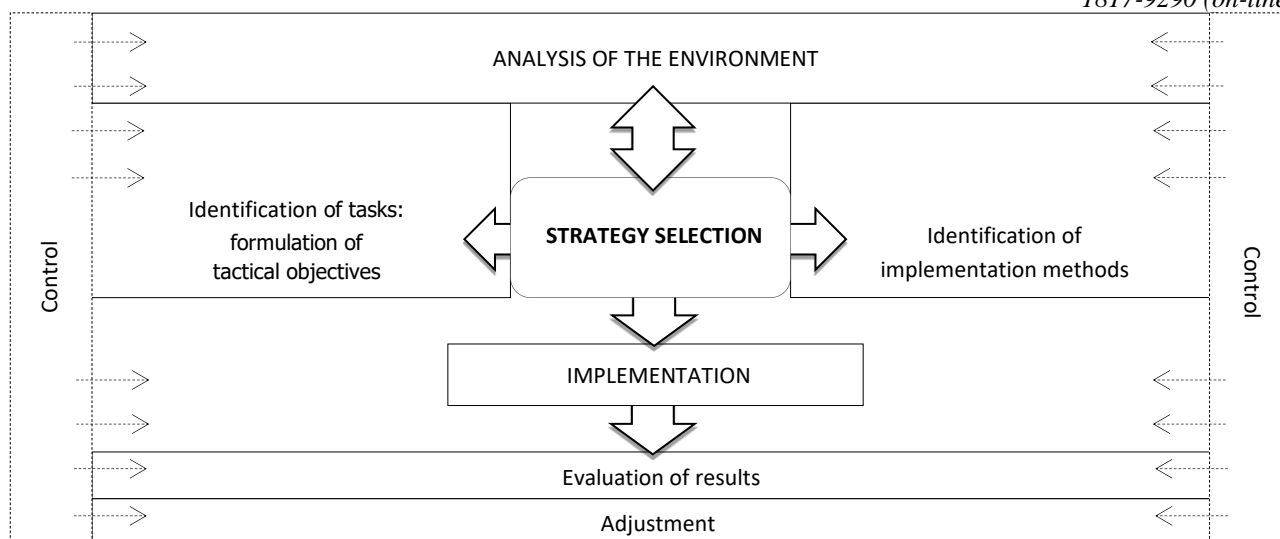


Fig. 5. The concept of strategy implementation at the company  
Source: developed by the authors on the basis of [11].

The presented concept allows us to adapt it to the issue of strategic development of a company in the context of financial security as a fundamental basis for the success and growth of business entities. Therefore, in this direction, there is a need to describe the process in more detail in the context of the defined steps of the concept of strategy implementation presented in the figure.

*Strategy selection.* In order to ensure the development of a company, it is necessary to choose a development strategy. Strategies can be different.

Determining the relevance of a strategy usually involves assessing its consistency with the overall goal of the company, as well as its balance, flexibility, adaptability, ability to be resourced, etc.

In this paper, we propose to build a strategy for company development aimed at strengthening financial security, which under any conditions and circumstances is not only useful for the functioning of companies, but is essentially vital. Therefore, in this paper we define a strategy that provides for a focus on maintaining and enhancing the financial security of a company. The rationality of such an approach, as already defined, is outlined by the statement that it is impossible for a company to function smoothly without an optimal level of its financial security as an indisputable condition and basis for its development and existence in the long term.

*Identification of tasks.* A strategy is a generalised vision of the direction in which to move. It is detailed by formulating tasks that ensure the process of its implementation. The main among them is the formation of tactical functional development goals, in our case, those that would increase the level of financial security of the company, which cannot be realised without analysing the environment.

*Analysis of the environment.* As for the analysis of the environment, it is actually possible, or even advisable in certain cases, to conduct it before choosing a strategy in order to understand which one is better to form. However, given that we have already chosen the direction, in particular, the study of the issue of strategic development of the company by strengthening its financial security, we have the following direction in terms of environmental analysis:

- identification of threats to the financial security of the company;
- assessment of the actual level of financial security of the company.

Let us consider these points in order.

*Identification of threats.* The existence of threats determines the existence of the concept of security. Similarly, the financial security of a company is widely considered by both scientists and practitioners precisely because of the exciting nature of the problem of the presence of a significant number of factors that affect its level. Therefore, in order to identify threats, it is necessary to form a clear understanding of what may have an impact on the economic and business processes of a company. So, let's analyse such factors. It is generally accepted that they are divided into internal and external. The internal ones are those that directly depend on the company's policy and emanate from

it, and the external ones are those that are created by the environment, usually without the company's participation, offering these factors as a fact. For our part, we also agree with the division of the factors of influence into two groups of internal and external factors, which we propose to further break down into separate subgroups.

First, we will highlight among the external factors such a component of influence as the nature of relations with competitors and other stakeholders. This includes the following specific factors [3, 9, 12]:

- reliability of partners and suppliers;
- solvency of debtors;
- price and other forms of competition;
- monopolisation of the market;
- etc.

Further, among the external factors, in addition to the specific ones already mentioned, we can distinguish general factors, which are mainly assessed at the country level [3, 7]:

- the state of economic, social and political situation in the country;
- level of financial security of the state (budget, debt, monetary, currency, banking, security of the non-banking financial sector)
- investment opportunities of the state, availability of special programmes to support entrepreneurial activity;
- legislative and regulatory framework for entrepreneurial activity;
- quality and cost of credit services, availability of accessible information on lending;
- etc.

Some researchers also suggest that force majeure circumstances of an external nature and those close to them should be separately listed [9]:

- natural disasters;
- cataclysms;
- pandemics;
- man-made disasters;
- military conflicts;
- protests;
- crises or extraordinary changes in exchange rates;
- etc.

We would like to emphasise that we consider the distinction of force majeure to be a reasonable decision based on the specifics and exceptional nature of this phenomenon.

In the context of the current economic and political situation in Ukraine, the war is a serious threat to the financial security of domestic companies. The military conflict leads to a significant decline in consumer demand, restrictions on access to resources and markets, and increased costs for business protection and restructuring. Businesses face the risk of production disruptions, loss of customers and relationships with partners, as well as increased credit risks and instability in financial markets. This situation requires businesses not only to adapt to new conditions, but also to develop strategies to minimise risks and maintain financial stability in the context of the conflict.

Given that, as a rule, a company is objectively powerless in terms of external factors, we propose to pay more attention to internal factors, which should be used to determine the tactics of company development and to find opportunities to improve its financial security, in particular.

The internal factors should primarily include the financial and economic indicators of the company [7, 3]:

- level of financial stability;
- liquidity and solvency;
- provision of activities with financial resources;
- state of equity and working capital;
- ratio of equity and debt capital;



- ratio of accounts payable and receivable;
- profitability;
- etc.

The financial security of a company is also influenced by aspects of its functioning and business activities [3, 7, 9]:

- technicality and manufacturability of production;
- approach to organising the process of operational activity;
- the possibility of introducing innovative technologies;
- level of use of new or outdated equipment;
- level of operational financial management;
- level of strategic financial management;
- ability to set benchmarks within the financial strategy;
- availability of optimal ways to evaluate activities;
- the degree of consideration of the impact of various risks at all levels of activity;
- efficiency of management decision-making;
- etc.

At the same time, it can be understood that some aspects depend on the position of the company management and the qualifications of personnel. Therefore, in addition to internal factors, we propose to include such a subgroup as qualification indicators [3]:

- qualification and experience of the company's managers;
- qualification of economists, financiers, accountants;
- level of executive discipline, responsibility of employees;
- etc.

Finally, we propose to distinguish the risk of internal negative actions, which, by the way, also depend in some way on qualification indicators, as well as the risk of force majeure at the company [3, 9]:

- wrong actions of personnel, negligence;
- risk of theft, corruption within the organisation;
- wrong pricing and personnel policy;
- inefficient financial planning and asset management;
- ineffective market strategy;
- unforeseen breakdowns;
- caused by fires;
- etc.

As can be seen, despite the proposed division of the influence factors into additional subgroups, some of them are still intertwined and are not clearly delineated or independent. This division was created for convenience and better understanding of the nature of such factors.

Moreover, some authors emphasise that even types of internal and external factors are inextricably linked. Since they form both complementarity and mutual influence [7], we can also agree with this. After all, completely excluding the possibility of interconnection of external and internal factors is not a completely correct approach. The main difficulty lies in the fact that the number of factors that influence or simply create the likelihood of their influence on the company is quite large. However, it is worth emphasising that, for the most part, internal and external factors are independent of each other. Even if in some cases their independence is not complete, the nature of the predominance is still obvious. For example, on the one hand, there is the outbreak of war, to which an ordinary company is unlikely to have even the slightest relation. On the other hand, there is the reliability of debtors or suppliers, which is also attributed to external factors. However, we understand that the company chose who to cooperate with, and therefore exerted its influence. Similarly, looking at the qualifications of employees as an internal factor, we can find some ambiguity. In particular, if there are problems with education and the offer of professional development opportunities at the country level, then no matter how much management or employees want professional development, it will be

much more difficult to obtain it under the circumstances. In other words, it is influenced by external circumstances. However, the predominance is usually obvious, which allows us to distinguish between external and internal factors, so the question of the appropriateness of the division can be considered closed.

Thus, returning to the company's development strategy and its formation in the context of financial security, its environment is important, and its factors should be known and taken into account. That is why it was extremely important to consider all the information presented above on the factors of influence to identify threats.

*Assessment of the financial security of the company.* Another proposed option for analysing the environment is to determine the actual level of financial security of a company, analyse and assess it. In general, according to some scholars, economic security assessment is an integral management tool. It is thanks to it that it is possible to create an information base for making strategic management decisions, which, as a rule, ensure the long-term uninterrupted operation of the company [16]. At the same time, the assessment should be carried out continuously and uninterruptedly, focused both on what is happening now and on what may happen in the future, which, by the way, falls under the concept of a strategic approach. Therefore, a company should choose the most effective, convenient and affordable ways to analyse and assess financial security. It is not superfluous to define not even one but several methods, which will allow either their skilful combination or replacement if necessary. Modern economic literature provides such an opportunity, offering many approaches to assessing the financial aspects of a company.

Let us define a concept that will allow assessing the possibilities of strategic development of a company with a focus on its financial security (Fig. 6).

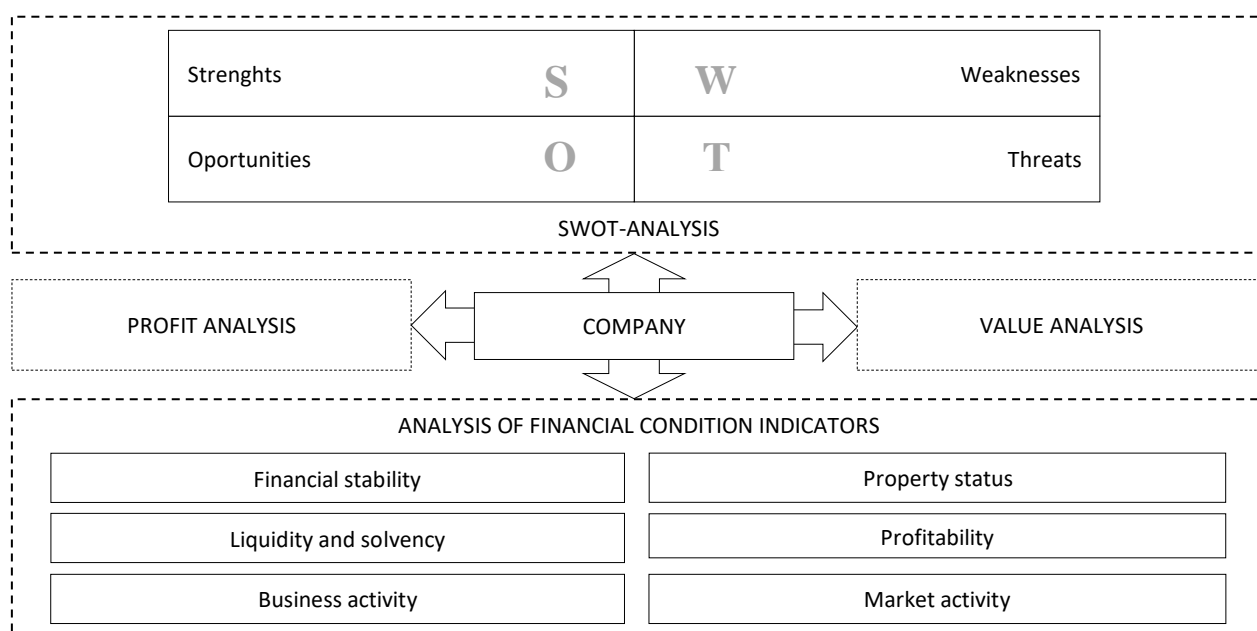


Fig. 6. Approach to assessing the prospects of a company  
Source: developed by the authors

As we can see, the definition of financial security of a company is based on the four proposed pillars: SWOT analysis, analysis of the main indicators of the financial condition of the company, as well as profit analysis and value analysis.

Analysis of the financial condition of a company is able to identify financial problems. It is the most popular of all methods and involves the assessment of certain groups of financial indicators of the company and provides for the calculation of financial ratios using the company's financial statements and their subsequent comparison with the regulatory values. This analysis is convenient and understandable, given the prevalence of this approach in both practical use by domestic companies and scientific research. A company can choose any necessary indicators and analyse them

without any problems. In particular, Grinchuk T.P., Sirokha I.O. [12], Urazova G.O. and Gurbanova N.N. [14] recommend that the following indicators be included in the analysis of the financial security of a company:

- current ratio;
- autonomy ratio;
- level of financial leverage;
- times interest earned;
- return on assets;
- return on equity;
- weighted average cost of capital;
- profit growth rate;
- accounts receivable/payable turnover ratio, etc.

Therefore, the analysis of financial ratios can either confirm the stable position of a company or reveal the presence of problems and identify them. It is also important to emphasise that the values are more accurate and informative for decision-making if the calculations include several periods rather than just one. This allows you to track the variability of the ratios and trends in their development.

While the financial position analysis indicators are a fairly straightforward aspect, the analysis of earnings and value requires more attention. Because when we talk about profits, we mean not only the assessment of the net financial result, which is already determined in the financial statements. We propose to consider foreign approaches, including EBIT (Earnings Before Interest and Taxes) and EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) for profit analysis and EVA (Economic Value Added) for value analysis. The use of these indicators is a more modernised approach for domestic practice. Income analysis allows to determine whether the company is able to provide its activities with appropriate funds, while value analysis shows the real value of the company – its so-called economic "value", and whether the company managed to create additional value as a result of its activities. However, there is no uniform procedure for calculating EVA in domestic practice. This is because it is difficult to adapt this process to our standards, as many scholars have pointed out. Nevertheless, we propose a certain procedure for calculating the indicators in Table 1.

The value of equity and debt capital (Table 1, № 12-13) is often determined on the basis of data on term deposits and loans according to the statistical reporting of Ukrainian banks, which, in our opinion, is appropriate if there are no other options for its calculation. We would also point out that, similar to the analysis of financial ratios, it is appropriate to analyse earnings and value with the inclusion of several reporting periods, which will allow us to assess not only the value of the indicators, but also their development trends.

SWOT analysis is a method of strategic analysis that identifies the strengths and weaknesses of an organisation, as well as its development opportunities and threats to its operation.

Additionally, it is necessary to determine whether the company operates in a stable or uncertain environment. For example, if we are talking about the actual situation of a full-scale war in the country, which has developed at the time of writing, it is necessary to take into account the company's ability to operate in accordance with the risk of military events, territorial location, etc. Thus, taking into account these aspects, the company's governing bodies evaluate all the pros and cons and, accordingly, determine the ways to solve the identified problematic issues.

Thus, the SWOT analysis will identify factors that will help in strategic planning, while other proposed analyses will identify those indicators that undermine the financial security of the company. Thus, based on this approach, it is possible to understand what needs to be changed, improved or introduced at the company in order to achieve development.

Table 1. Procedure for calculating profit and cost indicators [4, 5]

№	Indicator	Calculation
Profit analysis		
	EBIT	f.2, code 2290 or code 2295 + code 2250
	EBITDA	EBIT + f.2, code 2515
Value analysis		
1	EBIT	f.2, code 2290 or code 2295 + code 2250
2	Income tax expense	f.2 code 2300
3	NOPAT	№1 – №2
4	Assets	f.1 code 1900
5	Current liabilities and provisions less notes issued	f.1 code 1695 – code 1605
6	Deferred income	f.1 code 1665
7	IC	№4 – №5 – №6
8	Shareholders' equity	f.1 code 1495
9	Share of equity	№8 / №7
10	Long-term liabilities and provisions	f.1 code 1595
11	Share of borrowed capital	№10 / №7
12	Value of equity capital	*
13	Value of borrowed capital	*
14	WACC	№9 × №12 + №11 × №13
15	EVA	№3 – №7 × №14

Abbreviations: f.1, f.2 – forms of financial statements (according to the financial statements of Ukrainian companies); EBIT – earnings before interest and taxes; EBITDA – earnings before interest, taxes, depreciation and amortisation; NOPAT – operating profit after tax but before interest; IC – invested capital; WACC – weighted average cost of capital; EVA – economic value added; \* – no unified approach has been established.

*Identification of implementation methods.* In general, the search for ways to implement the strategy means determining how to achieve the goals set out in the strategy. For us, in particular, it is important to protect the company from threats and improve its financial security, which should be based on the results of the assessment described earlier. For example, if negative financial indicators and weaknesses are identified, we need to determine how to get rid of them. If opportunities are identified, they should be seized, which will directly contribute to the development of the company.

We will present general recommendations for improving the financial security of a company, which are most often found in economic literature and practice. There is also an opinion, which we support, that financial security in the long-term (strategic) period should be focused on maintaining the most important financial proportions that, in particular, ensure the growth of its market value. These include the formation of a high level of solvency, liquidity of working capital, efficient capital structure, profitability, and the quality of financial and economic activity in general [12]. It is important to pay special attention to the latter, since in times of war it is a prerequisite not only for the company to have prospects for the future, but also for its current position and existence in general. At the same time, we recall that earlier in the paper we mentioned external factors over which the company has no influence, including the war. However, the absence of influence does not mean that one can ignore them. Such threats should be understood and taken into account in activities in order to be able to withstand them.

Also, in the context of protecting the company from external threats, modern scholars recommend paying attention to maintaining relations with such types of partners as the state, competitors, customers, suppliers, which we have identified in terms of external factors of influence. After all, such relations can result in state protectionism, associations, alliances, leagues of state suppliers, political and trade union strategies, which will be beneficial for the company [16]. It is important to

protect the financial interests of the company's stakeholders, because they also determine the financial security of the company, without which the interests of all participants cannot be fulfilled [10].

In addition, in the current conditions of martial law in Ukraine, this aspect should be separately considered. We believe that in order to maintain the financial stability of the company during the war, it is necessary to consider the following areas:

- effective diversification of markets and suppliers, which will lead to a better geographical presence and diversification of sources of supply to reduce the risks associated with market restrictions and supply interruptions; it should be noted that the cessation of operations is a losing option, especially for the country's economy;
- flexibility in production and logistics, which will ensure the ability to quickly adapt to changes and give the company an advantage of quick transition to alternative sources and routes of supply;
- effective liquidity management, as maintaining sufficient liquidity reserves can be crucial in case of restrictions on access to financial resources in a time of war;
- risk management, careful planning and implementation of risk management strategies to help identify and mitigate possible financial threats associated with war;
- strengthening internal security, such as cyber defence, labour safety and reserve preservation, can help reduce risks from internal and external threats;
- creation of reserves and contingency plans, including active formation of financial reserves and development of alternative strategies for dealing with unexpected events to ensure flexibility and resilience of the company, which is important in a time of war.

In general, it is worth noting that the most important factors in ensuring both financial security and progressive development of a company are:

- establishing and clearly understanding the purpose of the company's activities, as well as ways to achieve the desired;
- professional development of both managers and employees.

As for the latter, it is the management that determines the purpose of the company, its development strategy, which can be implemented with the highest efficiency and at the lowest possible cost. Employees must provide the achievement of the object.

*Implementation.* Prompt execution of the planned actions that form the strategy in the course of the company's financial and economic activities.

*Evaluation of results.* It consists in determining whether there are any changes in the development of the company and its financial security as a result of the actions taken. This can be done using the same tools that were used in the analysis of the environment at an earlier stage.

*Adjustments.* Reviewing the strategy and making either fundamental changes to the strategy or some amendments to certain aspects, taking into account the results obtained and their evaluation. This is done to improve the effectiveness of the strategy.

According to Zabediuk M., the way to ensure the financial security of a company is to formulate and implement a strategy that should provide the possibility of its adjustment in the process of implementation, provide for the possibility of adaptation to changing conditions, meet the concept of a quick response to market fluctuations, and take into account the set of external and internal threats that relate to the company that implements it [15]. Yet, sometimes adjustments may not be applied if the strategy is assessed as highly effective. Nevertheless, this does not change the importance of flexibility of the strategy and its improvement in view of changing conditions and over time, respectively, which will not allow such a strategy to become outdated and lose its value.

*Control.* Continuous managerial supervision of all aspects of strategy implementation and its implementation, which determines the quality of achievement of the intended goals.

## CONCLUSION

In the course of writing this paper, we have considered the issue of ensuring financial security as a strategic decision to ensure the stable development of the company in the long term. The approach is based on the idea that strategic development is determined by the presence and high level of financial security of a company. In order to understand how to implement the company development strategy in the context of its financial security, a general vision of strategy implementation is presented. It is proposed to include: analysis of the environment (possible both before and after the choice of strategy), choice of strategy, definition of tasks, formation of tactical goals, search for ways to implement the strategy, direct implementation of the plan, evaluation of results and adjustment of the strategy. Given that the choice of strategy in our paper is focused on strengthening financial security as a condition for the effective functioning of a company, special attention was paid to the importance of understanding the factors of influence that may threaten the financial security of a company and hinder the formation of its high level and effective economic development. As a rule, they are internal and external, depending on their affiliation and source of origin. In addition, the paper describes in detail the definition of a balanced approach to assessing the prospects for the development of a company and its actual level of financial security. It is proposed to carry out such an assessment through the calculation of the coefficients of the financial condition of a company, analysis of profits and value, and SWOT analysis. The results obtained can be used as a basis for determining the tactical goals and ways of implementing the plan. For example, such tactical goals may include improving certain indicators that have been identified as undermining the level of financial security of the company and, therefore, as its weaknesses. Tactical goals may also include countering certain threats to the company in order to strengthen its position. Then, in accordance with these goals, ways to implement the plan are sought. The paper also provides general recommendations for maintaining and improving the level of financial security at the company and gaining its development position, respectively. In this case, it is extremely important to set goals and ways to achieve the desired, which also depends on the level of qualifications of the company's representatives and employees.

The application of the defined strategy can provide:

- understanding of the direction of the company's motion and determination of tactical functional goals as its coordinated components;
- comprehensive analysis and assessment of the company, in terms of both its financial ratios and external and internal threats to its activities, etc;
- availability of an information base in order to find ways to solve problems and counter threats;
- strengthening the financial security of the company, and as a result, guaranteeing the prospects for its stable development in the long term.

In further research, based on the results of this paper, a more detailed analysis of tactical goals in ensuring the development of a company through its financial security, as well as a more detailed specification of calculation methodologies, is relevant. In addition, the study should be devoted to consideration of other visions of company development strategies and an attempt to combine them with the concept of strategic development of a company on the basis of strengthening its financial security outlined in this paper. At the same time, it is extremely important to develop an approach that can remain valuable in force majeure circumstances, such as a war, since this issue is not fully addressed in the literature. All of this will help to find the best options for the development of the business sector and make the economy, including Ukraine's, more resilient and stronger in the struggle for its independence.

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