

ЕКОНОМІКА ТА УПРАВЛІННЯ НАЦІОНАЛЬНИМ ГОСПОДАРСТВОМ

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**SUSTAINABLE DEVELOPMENT REPORTING
AS AN INSTRUMENT FOR INSTITUTIONAL
REFORM IN UKRAINE****ЗВІТНІСТЬ СТАЛОГО РОЗВИТКУ ЯК
ІНСТРУМЕНТ ІНСТИТУЦІЙНОЇ РЕФОРМИ В
УКРАЇНІ**

Urgency of the research. Practical implementation of the institutional reform in Ukraine requires introduction of a new concept of reporting, which will actualize research on measuring and predicting potential effects of economic, social and environmental interaction between business units and society through the indicators of the integrated reporting.

Target setting. There is a need for in-depth study of the development of the accounting methodology and improvement of the disclosure of the consequences of socio-ecological and economic activity in business units' reporting.

Actual scientific research and issues analysis. Methodological aspects of sustainable development reporting are studied in the works of: K. Adams, D. Gritsishen, V. Evdokimov, T. Efimenko, V. Zhuk, R. Kostyrko, K. Lee, L. Lovinskaya, P. Michael, G. Roberts, G. Serafayma and others.

Uninvestigated parts of general matters defining. Scientific and theoretical basis of the organization and methodology for the formation of integrated reporting indicators requires further research.

The research objective. The purpose of the study was to develop a conceptual model of accounting and analytical support for the sustainable development management in the system of national accounts.

The statement of basic materials. The article substantiates the importance of reporting on the sustainable development in institutional reform in Ukraine. Conceptual model of accounting and analytical support for the sustainable development management is developed. Basic components of the integrated reporting process are determined.

Conclusions. Development of the system of accounting and analytical support for the sustainable development of institutional units under the proposed conceptual model will enable to form information base for the substantiation of managerial decisions that will promote the improvement of business perfection of domestic enterprises and implementation of institutional reform in Ukraine.

Keywords: integrated reporting; accounting and analytical support; institutional reform.

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Актуальність теми дослідження. Практична імплементація інституційної реформи в Україні вимагає запровадження нової концепції звітування, що актуалізує дослідження питань вимірювання і прогнозування потенційних наслідків від економічної, соціальної та екологічної взаємодії бізнес-одиниць і суспільства через показники інтегрованої звітності.

Постановка проблеми. Потребують поглибленого вивчення питання розвитку методології бухгалтерського обліку та удосконалення розкриття наслідків соціо-еколого-економічної діяльності у звітності бізнес-одиниць.

Аналіз останніх досліджень і публікацій. Методологічні аспекти обліково-звітного забезпечення управління сталим розвитком досліджується в працях: К. А. Адамса, Д. О. Грицишена, В. В. Євдокимова, Т. І. Єфименко, В. М. Жука, Р. О. Костирко, К. В. Лі, Л. Г. Ловінської, П. К. Майкла, Г. І. Робертса, Г. Серафейма та інших.

Виділення не досліджених частин загальної проблеми. Потребує подальших досліджень науково-теоретичний базис організації та методології формування показників інтегрованої звітності.

Постановка завдання. Метою дослідження визначено розробку концептуальної моделі обліково-аналітичного забезпечення управління сталим розвитком в системі національних рахунків.

Виклад основного матеріалу. В статті обґрунтовується важливість звітності сталої розвитку в інституційній реформі в Україні. Розроблено концептуальну модель обліково-аналітичного забезпечення управління сталим розвитком. Визначено основні складові процесу формування інтегрованої звітності.

Висновки. Розбудова системи обліково-аналітичного забезпечення управління сталим розвитком інституційних одиниць за запропонованою концептуальною моделлю дозволить сформуванню інформаційну базу для обґрунтування управлінських рішень, що сприятиме підвищенню ділової досконалості вітчизняних підприємств та імплементації інституційної реформи в Україні.

Ключові слова: інтегрована звітність; обліково-аналітичне забезпечення; інституційна реформа.

Urgency of the research. Acquisition of stable partnerships of Ukraine among the developed European countries requires from our country significant changes in various spheres of social and economic life. Head of Regional and Government Engagement, Member of the Managing Board of World

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Economic Forum, Philip Resler believes that "sustainable economic growth, provided by strong and reliable institutions, is the best guarantee of the future of Ukraine as a country located at the junction of Europe and Asia" [7]. The characteristic of the state connected with its consideration in the integrity, allocated from the social environment, system of various interdependent bodies and institutions, is called the mechanism of the state. Implementation of the institutional conception of the society development requires integration of all subjects of the society efforts in order to create conditions for the effective use of the potential of the domestic market, natural resources, and powerful human capital. By linking various general theoretical, abstract-logical and conceptual guidelines for sustainable development, it should be noted that their practical implementation directly depends on the main information driver – accounting and analytical support for the sustainable development of institutional units.

Target setting. For the improvement of the existing information and communication interaction between business entities and stakeholders at different levels, support for institutional reform in Ukraine in the context of European integration requires in-depth study of a new reporting models and trends in the development of accounting methodology to meet the growing demands of users and improvement of the transparency, completeness and relevance of the accounting and reporting information.

Actual scientific research and issues analysis. The presented in the World Economic Forum report "Scenarios for Ukraine: Reforming Institutions, Strengthening the Economy After the Crisis", analysis of the results of broad consultations of more than 300 leading experts, executives, large entrepreneurs and civil society leaders, responsible for decision-making, confirmed the necessity of creating in the country an effective system of global metrology to define key priorities for assessing the indicators of socio-ecological and economic development in the long-term perspective in post-crisis period. In this aspect, the World Bank innovative methodology for assessing national wealth is based on the following indicators of sustainable development: natural capital; production capital (assets); human capital (human resources); social capital [5; 7]. Subsequently, materialization of the proposed approach occurs under the auspices of the International Federation of Accountants (IFAC), which initiated the development of the Integrated Reporting Concept, aimed at providing stakeholders with full information on the factors of influence that have a significant impact on the ability of a business unit to create value in the long run.

In recent years, among the important scientific research of various aspects of accounting and reporting support of sustainable development management, the works of T. I. Efimenko V. M. Beetle, L. G. Lovinskaya, V. V. Evdokimov, D. O. Gritsishen, G. I. Roberts and P. K. Michael, should be allocated. They deeply explored organizational dynamics, ideological foundations, national and public significance of the development of branch accounting standards and introduction of integrated reporting in order to prevent crises, ensure social justice and economic independence, and respect for the humans rights and freedoms. The conceptual foundations for assessing of the institutional units social, human and environmental capital were investigated by R. O. Kostyrko and K. V. Lee, the problem issues of using of the integrated reports in the financial security management and involvement of financial capital suppliers were examined in the works of G. Seraphayma, and the methodological tools for the integrated reports compiling, their structure and the procedure of information disclosure were studied by K. A. Adams.

Uninvestigated parts of general matters defining. Without diminishing the significance of the existing achievements, we have to admit that scientific and theoretical basis of the organization and methodology for the formation of integrated reporting as an element of the conceptual model of accounting and analytical support for the sustainable development management of the institutional units in the system of national accounts requires further research, which was defined as the purpose of this article.

The research objective. Achievement of the stated objective is accomplished by solving the following tasks: determining the place of sustainable development reporting in the institutional reform in terms of European integration; development of a conceptual model of accounting and analytical support for the management of institutional units sustainable development; substantiation of accounting and analytical support main components in the process of sustainable development reporting.

The statement of basic material. The concept of sustainable development dramatically changes the value of accounting, and, accordingly, affects the formation of accounting and analytical support as

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an information contour of management of the economic, environmental and social components of the institutional units' activities. Development of the forms of reports and identification of its indicators are directly related, firstly, to changes in the interests of a particular group of accounting and reporting information users, and secondly, to socio-political conditions that affect the activities of a specific entity, in particular, the level of economic development of the country and world in general, and thirdly, to legal regulation of accounting and reporting system.

The basic priority of improving the accounting and reporting system is the progressive or regressive development of the institutional environment [4, p. 28]. Thus, various institutions influence development of the integrated reporting, which, according to hierarchy of the institutional support of accounting in Ukraine developed by V. M. Zhuk, expediently include the following: formal institutes "in the heads of people" and "rules of the game"; institutes of science, education, professional support; controlling institutions and regulatory institutes [3, p. 9]. These are exactly the institutions that form methodological basis for the integrated reporting.

Institutional transformations in the accounting system require the introduction of a general database design that allows measuring and predicting potential effects of economic, social and environmental interaction of business units and society. Solution of this problem lies in the design of a conceptual model of accounting and analytical support of managing sustainable development of institutional units concerning the fundamental issues of value creation process and its disclosure in integrated reporting (Fig. 1).

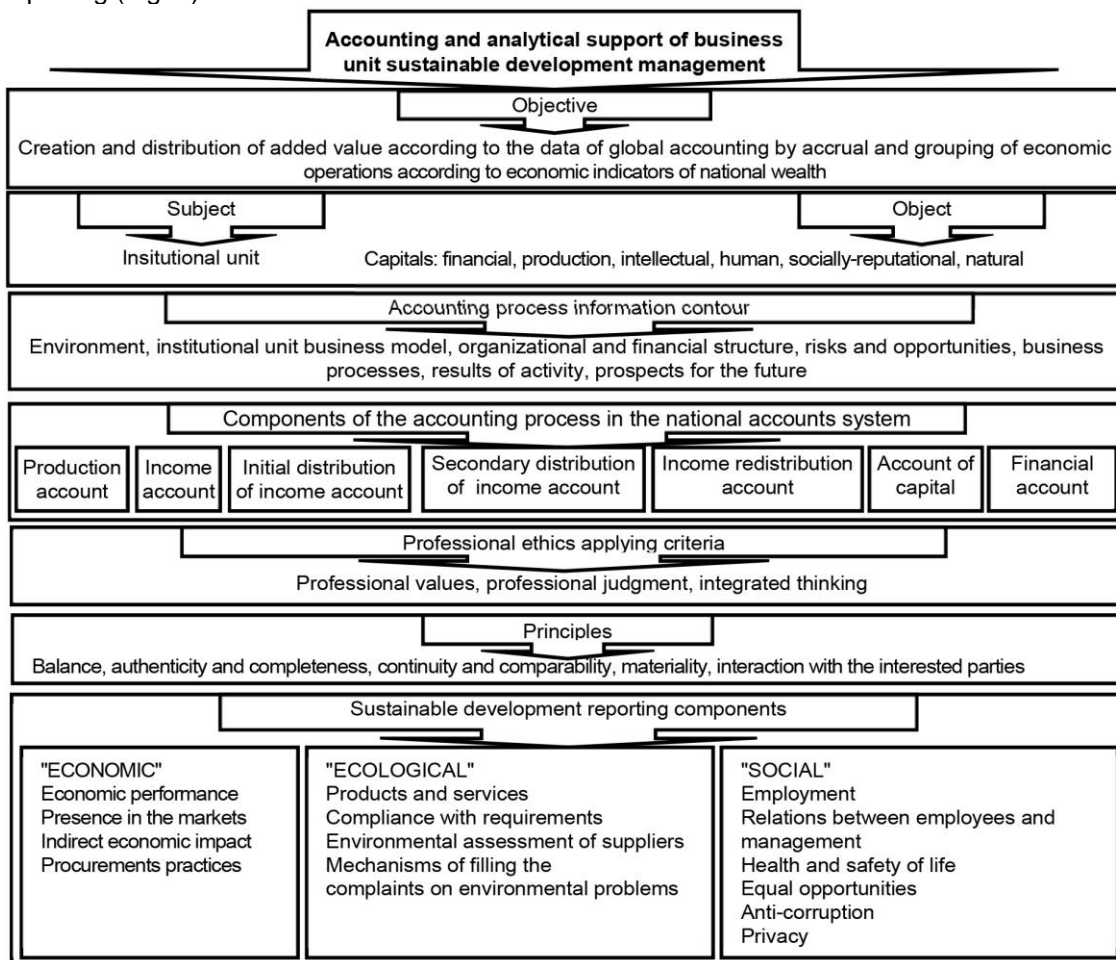


Fig. 1. Conceptual model of accounting and analytical support for the institutional units' sustainable development management

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Concerning the new reporting model T. I. Efimenko, V. M. Zhuk, L. G. Lovinskaya emphasize that it should be reflected in the information environment of the sustainable development concept, which is recognized by the international community as a new ideology of the 21st century [2, p. 36]. Construction of the accounting and reporting system of the country according to the proposed scheme allows solving the problems of public and private economic sectors coordination and strengthening of the co-operation principles based on public interests in all areas of business activities. Conceptual nature of the accounting and analytical support model involves formation of the global dynamic image of the management system for sustainable development, which reflects development dynamics, value added creating process nominal structure for the available capitals and hierarchical structure of causal relationships of accounting and analytical support processes within the system of national accounts.

Based on the above suggestions, it is necessary to determine the list of system tasks of the accounting and analytical support conceptual model that correspond to the information requests of the management system of the sustainable development. Such tasks include:

- information support at the input of capital analysis and monitoring in the context of the institutional unit mission, which allows to determine the amount of resources within the existing business model that is transformed as a result of economic activity;
- information support for the management of value accumulation in the life cycle of the resources (capitals) transformation into a new value, from total volume of which depends the sustainable development of business;
- information support for risk management and opportunities that influence capitals and the ways of adapting the strategy in the short, medium and long-term periods;
- information support for management of changes in different types of capital that have occurred as a result of economic actions, give competitive advantages and allow to create value.

The subject of the conceptual model should be understood as economic activity of an institutional unit, which is connected with the circulation of capitals – financial, industrial, intellectual, human, socially reputational and natural. In order to assess effectiveness of economic activity, the "understanding processes of creating value other than financial" is of paramount importance [6, p. 25]. In the context of the integrated reporting concept, capitals are fundamental objects of accounting and analytical support model of the sustainable development, which can create value and form basis for its increase in the long run. Composition analysis of the model objects of the accounting and analytical support becomes of particular relevance in determining elements of the information profile of the accounting process.

Various approaches to the composition of the integrated reporting elements testify the controversy of this issue [8; 10]. We consider it expedient to fill up the reporting block of the proposed model based on the priorities of the institutional unit sustainable development. The Sustainability Reporting Hierarchy should include general and specific information about the industry in which the company operates, as well as indicators of its performance.

A detailed description of the sustainable development reporting is caused by a number of factors characterizing the state of socio-ecological and economic relations in the society development: change of the structure of economic entities' property; loss of signs of industrialization by the world economy; introduction of resource-saving technologies in production and social spheres; ecological problems that are to be solved by minimizing emissions and pollution caused by production, recycling of waste products, production of environmentally friendly products, which causes the emergence of new accounting objects; development of corporate relations and globalization of the economy [1, p. 288]. Therefore, to summarize information on the functioning of institutional units, study dynamics of macroeconomic indicators and analyze proportions of the national wealth creation, it is expedient to form sustainable development reports corresponding to national structural and institutional basis taking into account metrological peculiarities of the national accounts system, which enables transformation of abstract social and environmental categories into concrete reporting indicators.

Conclusions. The proposed conceptual model for the accounting and analytical support formation can be used as a methodological design for the integral model of perfection, which corresponds to the general program of activities for the period from 2017 to 2019 of the Public Association "Ukrainian As-

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sociation of Excellence and Quality". Development of accounting and analytical support system of the institutional units sustainable development management in accordance with the proposed conceptual model will enable formation of the information base for management decisions justification, implementation of economic policies at the micro- and mega-levels of management, estimation of market conditions, development of business entities economic strategy, coordination of foreign economic activity, development of democracy in the society. This will contribute to the improvement of business perfection of domestic enterprises by updating state policy of Ukraine in the sphere of products quality management (goods, works and services), harmonization of the national system of accounting standardization and further improvement of the verification systems of sustainable development reports.

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