

УДК 336:658.1:005

JEL P43, G30

DOI 10.32782/2786-8273/2023-3-9

Viktor KarbivskiyPostgraduate student of the Department of Finance, Banking and Insurance
National University "Chernihiv Polytechnic"ORCID: <https://orcid.org/0009-0001-5939-7677>**Карбівський В.Л.**

Національний університет «Чернігівська політехніка»

**MODERN APPROACHES TO THE DEFINITION
OF "FINANCIAL SECURITY ENTERPRISES"****СУЧАСНІ ПІДХОДИ ДО ДЕФІНІЦІЇ
«ФІНАНСОВА БЕЗПЕКА ПІДПРИЄМСТВА»**

Abstract. Introduction. The high turbulence of the external and internal environment, as well as the existing threats and risks that have an impact on the stability of the functioning of enterprises, together with the emergence of new factors, encourage enterprises to search for more effective tools and mechanisms to increase the level of their own financial security. **The purpose of the article** is the analysis of existing approaches to the definition of "financial security" and the study of the main tasks facing the company's financial security system. **Methods.** Abstract methods are used in the article – for the sake of theoretical generalizations and research conclusions, as well as analysis and synthesis – during the systematization of scientific approaches and the identification of the essential characteristics of the financial security of the enterprise. **Results.** The article analyzes and structures theoretical approaches related to the category "financial security of the enterprise". The main aspects of the theoretical study of the financial security of the enterprise and their essential features are considered. His own vision regarding the definition of "financial security" is proposed, under which the author understands a system of measures and tools aimed at ensuring the financial interests of the enterprise and the growth of its market value, timely identification and leveling of risks to protect against potential threats. Scientific approaches to the definition of "financial security of the enterprise" that were reflected in the works of domestic scientists are systematized. As a result, the essential characteristics of this concept were identified, which included: reduced possibility of misuse of financial resources; a component of economic security of the enterprise; a state that ensures protection of financial interests from real and potential threats and characterizes financial balance, stability, solvency and liquidity; the ability to effectively and stably carry out its activities or to effectively use the enterprise's potential and resources; the enterprise's ability to independently develop and implement a financial strategy; a system of balanced development at the enterprise; risk management activities of the enterprise. **Conclusion.** The need and expediency of implementing a financial security system at the enterprise as an effective tool to ensure its stability and stable functioning is argued. The practical significance of the article lies in the use of theoretical generalizations and conclusions to build a structurally coherent understanding of the mechanism of financial security at the enterprise.

Keywords: financial security, threat, risk, system, enterprise.

Анотація. Висока турбулентність зовнішнього та внутрішнього середовища, а також існуючі загрози та ризики, які мають вплив на стабільність функціонування підприємств, разом із появою нових факторів, спонукають до пошуку підприємствами більш ефективних інструментів та механізмів для підвищення рівня їх власної фінансової безпеки. В статті використано методи абстрактнологічний – задля теоретичних узагальнень і висновків дослідження, а також аналізу та синтезу – під час систематизації наукових підходів та виокремлення сутнісних характеристик фінансової безпеки підприємства. У статті здійснено аналіз та структурування теоретичних підходів, пов'язаних із категорією "фінансова безпека підприємства". Розглянуті основні аспекти теоретичного дослідження фінансової безпеки підприємства та їхні сутнісні риси. Запропоновано власне бачення щодо дефініції «фінансова безпека», під яким автор розуміє систему заходів та інструментів, яка спрямована на забезпечення фінансових інтересів підприємства та зростання його ринкової вартості, своєчасне виявлення та нівелювання ризиків для захисту від потенційних загроз. Систематизовано наукові підходи до дефініції «фінансова безпека підприємства», що були відображені у працях вітчизняних науковців. У результаті цього виокремлено сутнісні характеристики цього поняття до яких було віднесено: знижену можливість зловживання фінансовими ресурсами; складову економічної безпеки підприємства; стан, який забезпечує захищеність фінансових інтересів від реальних і потенційних загроз та характеризує фінансову рівновагу, стабільність, платоспроможність і ліквідність; здатність здійснювати ефективно і стабільно свою діяльність або ефективно використовувати потенціал підприємства та ресурси; здатність підприємства самостійно розробляти і проводити фінансову стратегію; систему збалансованого розвитку на підприємстві; діяльність підприємства з управління ризиками. Аргументована необхідність та доцільність впровадження системи фінансової безпеки на підприємстві як ефективного інструменту для забезпечення його стабільності та стабільного функціонування. Практичне значення статті полягає у використанні теоретичних узагальнень та висновків для побудови структурно цілісного розуміння механізму фінансової безпеки на підприємстві.

Ключові слова: фінансова безпека, загроза, ризик, система, підприємство.

Problem statement. Financial security is an important indicator of socio-economic progress and well-being of any country. Currently, in the conditions of martial law in

Ukraine, this direction is becoming more and more relevant for research. Recently, there has been a significant development of the formation of the financial security system at

various levels, including the macroeconomic level, the meso level, as well as the security of enterprises and individual households [3]. The indicated problem remains relevant in the current conditions of the socio-economic and political development of Ukraine. The specified problem remains one of the main and, accordingly, the most relevant in the modern conditions of the socio-economic and political development of Ukraine, and to solve this problem, the primary task is to study the definition of "financial security".

Analysis of recent research and publications.

Modern approaches to the study of the problems of the essence of financial security of the enterprise are revealed in the works of domestic scientists, in particular: Davydenko N.M., Koval L.P., Kopteva H.M., Krasnokutska N.S., Kryuchko L.S., Kuperivska S.S., Lysa O.V., Nikiforov P.O., Prystemskyi O.S., Pshyk B.I. etc.

The purpose of the article is the analysis of existing approaches to the definition of "financial security" and the study of the main tasks facing the company's financial security system.

Presentation of the main research material. In modern conditions, the enterprise must be able to successfully resist various threats and risks: both existing and potential ones that can harm its activity. A high level of financial security is the main factor in the enterprise's ability to support the main development strategy [1]. This can be achieved with financial stability and independence, coherence of work at all levels and competent protection of the company's financial interests.

Studies of financial security problems began to appear in the scientific literature not so long ago. It should be noted that recently they are becoming increasingly relevant. For the most part, the attention of scientists is focused on the issues of forming the financial security system of the enterprise, building an effective mechanism for its management, studying the theoretical and methodological foundations of financial security.

At the current stage of development, the term "financial security of the enterprise" is understood as a complex concept, which is accompanied by controversial opinions regarding the signs of its essence and content.

In the context of regulatory and legal regulation, financial security involves the creation of such conditions for the functioning of the financial system, under which there is actually no possibility of directing financial flows into areas of their use that are not fixed by legislative regulations, and, secondly, the possibility of misuse of financial resources is reduced to a minimum. As part of the approach implemented during the substantiation of the essence of national security in Art. 8 of the Law "On the Basics of National Security of Ukraine", the definition of the financial security of an enterprise can be formulated as the protection of vital interests of the enterprise, ensuring its sustainable development, timely detection, prevention and neutralization of real and potential threats to economic interests [28].

Legal aspects in the essence of financial security are clearly traced in the work of O. Melykh, as a fundamental component of economic security, which characterizes the protection of financial interests at all levels of financial relations; a certain level of financial independence, stability and stability of the country's financial system under the influence of external and internal destabilizing factors that pose a threat to financial security; the ability of the financial system

of the state to ensure the effective functioning of the national economic system and sustainable economic growth [18].

Doctor of Economic Sciences A.O. Yepifanov interprets "financial security" as a state of the enterprise that:

1) allows to ensure financial balance, stability, solvency and liquidity in the long term;

2) ensures sufficient financial independence; meets the needs of the enterprise in financial resources for sustainable extended reproduction;

3) is capable of resisting existing and emerging dangers that seek to cause financial damage to the enterprise or to change the structure of equity capital contrary to wishes, or to forcibly liquidate the enterprise;

4) provides sufficient flexibility in making financial decisions, protects the financial interests of the owners of the enterprise [6].

Reverchuk N. Y interprets the concept of "financial security of the enterprise" as protection against possible financial losses and prevention of bankruptcy of the enterprise, achieving the most efficient use of corporate resources [27].

According to N.G. Pigul and A.V. Khomutenko, the financial security of an enterprise should be understood as the ability of the enterprise to independently develop and implement a financial strategy in accordance with the goals of the corporate strategy in conditions of an uncertain and competitive environment [22].

There is an opinion that the financial security of an enterprise is a stable state of the enterprise's financial activity at this point in time, the protection of commercial interests at all levels of economic relations (employees, state bodies, business partners), provision of financial resources and the implementation of measures to increase profits [21].

L.S. Kryuchko believes that: "financial security is the ability of a business entity to carry out its economic, in particular, financial activities, effectively and stably by using a set of interconnected diagnostic, instrumental and control measures of a financial nature, which should optimize the use of financial resources, ensure proper their level and level the impact of risks of the internal and external environment" [13]. This definition characterizes financial security in a combination of various tools and measures of influence on the enterprise's activities.

Shelest V.V. notes that the "financial security of the enterprise" is a financial state characterized by balance, resistance to internal and external influences, allows to ensure the effective operation of the enterprise due to the optimal involvement of property transferred by the founders to management in the long term [29].

Kozak L.S., Bagrovetska I.V. claim that the financial security of an enterprise is a component of economic security based on the independence, efficiency and competitiveness of a business entity, which is reflected through a system of criteria and indicators of its financial condition that characterize balance of finances, sufficient liquidity of assets and availability of necessary reserves [11].

I.V. Chibisova and E.M. Ivashina have a similar point of view, who note that "financial security as a functional component of the economic security of an enterprise, which consists in the presence of its financial condition, which is characterized by: balance and quality of financial instruments, technologies and services; resistance to threats; the ability of the enterprise to ensure the realization of financial interests, as well as missions and tasks with

sufficient amounts of financial resources; as well as a focus on efficient and sustainable development" [30].

Financial security of the enterprise as a component of economic security is considered by M.P. Lazarenko and Nikolayenko K.V. and believe that the process of ensuring includes: "assessment of threats to economic security that have a political and legal nature; assessment of the current level of financial security; assessment of the effectiveness of preventing possible harm from negative actions; planning a set of measures to ensure financial security and developing recommendations for its implementation; budgetary planning of the practical implementation of the proposed set of measures [15].

A somewhat different point of view is held by Professor Davydenko N.M., who believes that "financial security of business entities is a system of strategic and tactical measures and tools for financial support of balanced development through the mobilization of financial resources for sustainable, expanded reproduction of business entities" [31; 32].

Proyda-Nosyk N.N. defines financial security as a complex characteristic of the system that reflects the level of protection of the financial interests of the business entity in a dynamic environment against the negative impact of external and internal financial threats and the ability to maintain financial stability and balance [24].

Grosul V.A. and Antonova O.V. believe that financial security is a state of a complex socio-economic system, which ensures the realization of priority financial interests of the enterprise and their protection from real and potential threats of an external and internal nature, the parameters of which create the prerequisites for the generation, preservation and growth of the market value of the enterprise [25].

According to the research of P.O. Nikiforov and S.S. Kuperivska, a financially protected company or enterprise is a company or an enterprise where managers have a balanced and optimal approach to the use and management of their financial resources, exercise clear control over them and promptly respond to any threats, internal or external, to minimize or avoid them without compromising operational performance [20].

O.V. Lys characterizes the essence of the financial security of the enterprise "as such a state of the enterprise's finances, which allows to resist identified and potential threats through effective management of the formation and use of capital, as well as risks in the process of its activity" [16].

O.A. Kyrychenko and I.V. Kudrya "define the financial security of an enterprise as the activity of managing risks and protecting the interests of the enterprise from external and internal threats in order to ensure the stable development of entrepreneurship and the growth of its own capital in current and strategic perspectives" [9]. V.I. Kutsyk and Bartysh have the same opinion [14]. These scientists equate financial security with activities aimed at achieving a certain state. We believe that the opinion has the right to exist, although it fully meets the conditions of objectivity, because the security characteristics of the enterprise depend not only on the activities of managers.

Ya.I. Mulyk characterized the company's financial security as "the state of protecting the company's financial interests at all levels of its financial relations from the influence of internal and external threats, which ensures its self-preservation and development in modern and strategic perspectives" [19].

M.Yu. Pogosova states that: "the financial security of an enterprise should be understood as a complex character-

istic of the functioning of a business entity, which reflects its need to protect financial interests, which objectively exists under the condition of constant exposure to real and potential macro-, meso- – and the internal environment, and causes the need to form its ability to realize its interests in the process of interaction with counterparties of the system of financial relations" [23].

Thus, based on the presented analysis of definitions, a unified approach to the essence of financial security of the enterprise has not been formed in science, which is due to the complexity of this economic phenomenon, its multifunctionality and multifacetedness.

Summarizing the scientific approaches to the definition of the category "financial security of the enterprise", in our opinion, this definition should be understood as a system of measures and tools aimed at ensuring the financial interests of the enterprise and the growth of its market value, timely identification and leveling of risks to protect against potential threats and increasing the financial potential by controlling the movement of cash flows.

Based on the analysis of the works of domestic scientists, we can state the existence of seven main approaches to this definition, such as:

- reduced possibility of misuse of financial resources [18; 28];
- a component of the economic security of the enterprise [11; 12; 15; 19];
- a state that ensures protection of financial interests from real and potential threats and characterizes financial balance, stability, solvency and liquidity, etc. [1; 5; 7; 10; 13; 23; 26];
- the ability to effectively and stably carry out their activities or to effectively use the enterprise's potential and resources [6];
- the ability of the enterprise to independently develop and implement a financial strategy [23];
- systems of balanced development and an independent object of management at the enterprise [4; 6; 17];
- activities of the enterprise to counter threats and manage risks [9; 14; 25].

In our opinion, it is advisable to add a cash flow control system to the existing approaches.

At enterprises, where the activity involves the constant movement of cash, the key indicators of financial security are the control of cash flows and their dynamics, aimed at achieving the investment and socio-economic goals of the enterprise's development. Budgeting is the main method for effective planning of cash flows and the fundamental basis for controlling their dynamics aimed at managing the processes of formation, distribution and use of financial resources in order to ensure the stable development of the enterprise and its financial security.

Conclusions. Constant changes occurring in the financial space of economic systems require enterprises to quickly adapt to the current situation. An effective mechanism that can quickly and adequately respond to current challenges is the company's financial security system. Through timely monitoring and control, it is able to promptly respond and prevent the development of crisis phenomena, and at the same time ensure a high level of financial and economic efficiency. To achieve this goal, a special mechanism for constant monitoring of the financial state of the enterprise should be developed in order to timely identify and eliminate signs of a crisis state of its activity.

References:

1. Vayzer D. I. (2014) Kontseptual'ni pidkhody shchodo sutnosti ta metodiv otsinky finansovoyi bezpeky pidpryyemstva [Conceptual approaches to the nature and methods for evaluating financial security of enterprises]. *Effective economy*, vol. 12. Available at: <http://www.economy.nayka.com.ua/?op=1&z=3689> (accessed November 28, 2023).
2. Hrosul V. A., Antonova O. V. (2015) *Otsinka finansovoyi bezpeky pidpryyemstv rozdribnoyi torhivli* [Assessment of financial security of retail enterprises]. Kharkiv: Publishing House "KhDUHT". (in Ukrainian)
3. Davydenko N. M. (2013) Analysis of theoretical aspects of financial security of business entities [Analiz teoretychnykh aspektiv finansovoi bezpeky subiektiv hospodariuvannia]. *Formation of market relations in Ukraine*, vol. 3, pp. 110–114.
4. Davydenko N. M. (2013) *Finansova bezpeka aghrarnykh formuvanij* [Financial security of agrarian formations]: monograph. Kyiv: Komprint Publishing House. (in Ukrainian)
5. Davydenko N. M. (2013) Finansova bezpeka aghrarnykh pidpryyemstv v systemi korporatyvnogho upravlinnja [Financial security of agricultural enterprises in the system of corporate governance]. *Ekonomika APK*, vol. 5, pp. 58–62.
6. Epifanov A. O., Plastun O. L. and Dombrovskij V. S. (2009) *Finansova bezpeka of companies i bankivskih ustanov: monograph* [Financial Security Companies and Banking Institutions: monograph]. Sumy: DVNZ "UABS NBU". (in Ukrainian)
7. Zachosova N. V., Bybyk A. M. (2017) Naprjamy zabezpechennja finansovoyi bezpeky sub'ektiv ghospodarsjkoji dijajlnosti [Directions of ensuring financial security of business entities]. *Scientific Bulletin of Uzhhorod National University. Series "International Economic Relations and the World Economy"*, vol. 15, part 1, pp. 25–28.
8. Kartuzov Ye. P. (2012) Vyznachennja finansovoyi bezpeky pidpryyemstva: ponjattja, zmist, znachennja i funkcionaljni aspekty [Determining the financial security of an enterprise: concept, content, value and functional aspects]. *Actual problems of economy*, vol. 8(134), pp. 172–182.
9. Kyrychenko O. A., Kudrya I. V. (2009) Vdoskonalennja upravlinnja finansovoiu bezpekoiu pidpryyemstv v umovakh kryzy [Improving the management of financial security of enterprises in times of crisis]. *Investments: practice and experience*, vol. 10, pp. 22–26.
10. Klymash N. I., Solovey K. V. (2016) Naukovi pidkhody do vyznachennja sutnosti ponyattja "finansova bezpeka" [Scientific approaches to the definition of the concept "financial safety"]. *Scientific Bulletin of Kherson State University*, vol. 16(1), pp. 120–123. Available at: http://www.ej.kherson.ua/journal/economic_16/1/31.pdf (accessed November 30, 2023).
11. Kozak L. S., Bahrovetska I. V. (2008) Kontseptualni ta metodychni zasady formuvannja mekhanizmu zabezpechennja finansovoi bezpeky pidpryyemstva [Conceptual and methodical principles of forming a mechanism for providing financial security of the enterprise]. *Economy and management*, vol. 13, pp. 97–101.
12. Krasnokuts'ka N. S., Koptyeva H. M. (2019) Definitiya ponyattja "finansova bezpeka pidpryyemstva": osnovni pidkhody ta osoblyvosti [Definition of the concept of "financial security of the enterprise": basic approaches and features]. *Business Inform*, vol. 7, pp. 14–19.
13. Kryuchko L. S. (2013) Teoretychni zasady finansovoi bezpeky pidpryyemstva [Theoretical principles of financial safety of the enterprise]. *Investments: practice and experience*, vol. 15, pp. 49–52.
14. Kutsyk V. I., Bartysh A. I. (2011) Finansova bezpeka pidpryyemstva samostijnyj ob'jekt upravlinnja: problemy zabezpechennja [Financial security of the enterprise as an independent object of management: problems of ensuring]. *Scientific Bulletin of NLTU of Ukraine*, vol. 21.4, pp. 250–255.
15. Lazarenko M. P., Nikolayenko K. V. (2010) Finansova bezpeka pidpryyemstva ta yiyi upravlinnja [Financial security of the enterprise and its management]. Available at: http://www.rusnauka.com/1_KAND_2010/Economics/10_57970.doc.htm (accessed December 28, 2023).
16. Lysa O. V. (2016) Finansova bezpeka subiektiv hospodariuvannia v suchasnykh umovakh [Financial security of business entities in today's environment]. *Economic analysis*, vol. 26 (1), pp. 58–64.
17. Marysiak N. L., Bak N. A. (2022) Finansova bezpeka pidpryyemstva ta zagrozy jiji vtraty v suchasnomu ekonomichnomu seredovyshhi [Financial security of the enterprise and threats of its loss in the modern economic environment]. *The economy and the state*, vol. 2, pp. 109–113.
18. Melykh O. (2013) Finansova bezpeka derzhavy: sutnistj, kryteriji ocinky ta preventyvni zakhody zmicnennja [State financial security: nature, evaluation criteria and preventive measures of strengthening]. *Economic analysis*, vol. 12 (2), pp. 266–272.
19. Mulyk Ya. I. (2013) Sutnist' ponyattja "finansova bezpeka pidpryyemstva": systematyzatsiya naukovykh pohlyadiv [The insight of the understanding of the "financial security of the enterprise": the systematization of scientific glances]. *Collection of scientific works VNAU*, vol. 3(80), pp. 195–206. Available at: <http://econjournal.vsau.org/files/pdfa/2114.pdf> (accessed December 16, 2023).
20. Nikiforov P. O., Kucherivska S. S. (2006) Sutnistj i znachennja finansovoyi bezpeky strakhovoji kompaniji [The Essence and Importance of Financial Security of Insurance Company]. *Finances of Ukraine*, vol. 5, pp. 86–94.
21. Panchenko V. A. (2019) Finansova bezpeka ghospodarsjkoji dijajlnosti pidpryyemstva [Financial security of economic activity of an enterprise]. *Financial studies*, vol. 2 (7). Available at: <https://fr.stu.cn.ua/tmppdf/197.pdf> (accessed November 28, 2023).
22. Pihul N. H., Khomutenko A. V. (2019) Teoretychni osnovy finansovoyi bezpeky pidpryyemstva ta mekhanizm upravlinnja neju [Theoretical foundations of financial security of the enterprise and the mechanism of its management]. *Bulletin of Sumy State University. Series "Economics"*, vol. 2, pp. 80–87.
23. Pohosova M. Yu. (2008) Strukturno-logichnyj analiz ponjattja "finansova bezpeka pidpryyemstva" [Structural and logical analysis of the concept of "financial security of the enterprise"]. *Science and Economics*, vol. 3 (11), pp. 258–265.
24. Poyda-Nosyk N. N. (2011) Doslidzhennja teoretychnykh aspektiv sutnosti finansova bezpeka [Research of theoretical aspects of the essence of financial security]. *Bulletin of Donetsk National University, Series Economics and Law*, vol. 2, pp. 164–170.
25. Pristemsky O. S. (2015) Mekhanizm zabezpechennja finansovoyi bezpeky siljsjoghospodarsjkykh pidpryyemstv [The mechanism of securing financial safety of the residents of the city]. *Tavria Science News. Economic science*, vol. 90, pp. 319–325.
26. Pshyk B. I. (2021) Formuvannja systemy finansovoyi bezpeky sub'ektiv pidpryyemstva jak osnovy stabiljnogho jikh funkcionuvannja [Formation of the system of financial security of business entities as a basis for their stable functioning]. *Effective economy*, vol. 9. Available at: <http://www.economy.nayka.com.ua/?op=1&z=9270> (accessed December 18, 2023).
27. Reverchuk N. Y. (2004) *Upravlinnja ekonomichnoyu bezpekoiu pidpriemnit'skih struktur: monograph* [Managing the economic security of businesses: monograph]. Lviv: LBI NBU. (in Ukrainian)
28. The Verkhovna Rada of Ukraine (2003) The Law of Ukraine "On the basics of national security of Ukraine". Available at: <http://zakon2.rada.gov.ua/laws/show/964-15> (accessed December 4, 2023).

29. Shelest V. V. (2009) Upravlinnia finansovoi bezpekoiu dovirohoho tovarystva [Management of financial security of trust society]. *Current problems of the economy*, vol. 3, pp. 181–184 (in Ukrainian)

30. Chibisova I. V., Ivashyna Ye. M. (2011) Mekhanizm zabezpechennia finansovoi bezpeky pidpriemstva [Mechanism of security of financial safety of enterprises]. Available at: http://www.nbu.gov.ua/portal/soc_gum/ppci/2011_31/Chibis.pdf (accessed December 5, 2023)

31. Davydenko N. M. (2015) Genesis of enterprise financial security. *Economic Processes Management: International Scientific E-Journal*, vol. 2. Available at: http://epm.fem.sumdu.edu.ua/download/2015_2/2015_2_3.pdf (accessed November 29, 2023).

32. Davydenko N. M. (2015) Modern paradigm of agrarian units' financial security assessment. *The Economic Journal XXI*, no. 5–6, pp. 90–93.

Стаття надійшла до редакції 25.12.2023