

УДК 657: 330.3:502.1

JEL Classification: G32, H29, M40, M48, O18

DOI: <https://doi.org/10.35774/visnyk2023.04.198>

**Svitlana ZHUKEVYCH,**

PhD (Economics), Associate Professor,  
Associate Professor of the Department of Accounting and Taxation,  
Western Ukrainian National University,  
11a Lvivska st., Ternopil, 46009, Ukraine,  
e-mail: [sveta\\_zyke@ukr.net](mailto:sveta_zyke@ukr.net)  
ORCID ID: 0000-0002-6088-6232

## **MANAGEMENT CONCEPT "FINANCIAL SUSTAINABILITY": ANALYSIS AND DETERMINATION CRITERIA IN THE CONDITIONS OF SUSTAINABLE DEVELOPMENT OF TERRITORIAL COMMUNITIES**

Zhukevych, S. (2023). Upravlinskyi kontsept finansova stiiikist terytorialnykh hromad: analiz ta kryterii vyznachennia v umovakh staloho rozvytku [Management concept «financial sustainability»: analysis and determination criteria in the conditions of sustainable development of territorial communities]. *Visnyk ekonomiky – Herald of Economics*, 4, 198–215. DOI: <https://doi.org/10.35774/visnyk2023.04.198>

Жукевич С. Управлінський концепт «фінансова стійкість»: аналіз та критерії визначення в умовах сталого розвитку територіальних громад. *Вісник економіки*. 2023. Вип. 4. С. 198-215. DOI: <https://doi.org/10.35774/visnyk2023.04.198>

### **Abstract**

**Introduction.** *An important element of the implementation of the concept of sustainable development in Ukraine and the process of decentralization is the modernization of the financial mechanism and the formation of financially capable territorial communities.*

**Purpose.** *The purpose of the article is to research theoretical approaches to the definition of criteria and methods of analysis of financial stability as the main concept of management of territorial communities in conditions of sustainable development.*

**Methods.** *To achieve this, general scientific and special research methods are used: analysis and synthesis, comparison and generalization, structural-logical, economic-mathematical and coefficient analysis.*

**Results.** *The proposed methodology for analyzing the financial stability of territorial communities covers two components: assessment of the level of financial stability, which involves the calculation of relative and absolute indicators and comparison of assets and sources of their financing; the analysis of the financial stability reserve involves the determination of the safety zone, financial and operational leverage, and the critical scope of implementation. The algorithm for determining the financial stability of a territorial community includes the use of a balance sheet model of financial equilibrium, the definition*

---

© Svitlana Zhukevych, 2023.

---

of a three-component indicator, and the finding of optimal degrees of coverage of sources of financial support. Attention is focused on the need to choose coefficients that best characterize individual features of the activity of a specific business entity.

**Prospects.** Financial stability, in addition to quantitative indicators of financial activity, has a significant impact on qualitative characteristics such as: professionalism of management personnel, quality production or provision of services, image on the market, satisfaction of employees and consumers with the quality of life, implementation of innovative ways of attracting various sources of financial resources, etc. the analysis of which requires the use of other research methods, which will be the subject of our further research.

**Keywords:** management, analysis; financial stability; Sustainability; local community; financial analysis.

**Formulas:** 7, **fig.:** 0, **tabl.:** 4, **bibl.:** 24.

**JEL Classification:** G32, H29, M40, M48, O18.

**Formulation of the problem.** The implementation of the concept of sustainable development involves a management strategy of the state and business entities that would allow to increase financial and economic efficiency taking into account nature and resource conservation, which is extremely necessary for a modern enterprise to remain competitive in the market economy.

An important element of the implementation of the concept of sustainable development in Ukraine and process decentralization is the modernization of the financial mechanism, the main purpose of which is to increase the efficiency of the use of financial resources at various levels of management and optimize the management of budget funds. One of the main tasks of the decentralization of power and financial powers is the formation of financially capable territorial communities, both in terms of the activation of their economic development, and in the direction of effective organization of the provision of public services to the population. At the same time, it is an extremely urgent issue achieving the principle goals for which territorial communities are united: obtaining economic and tax independence, acquiring independent functions, which actually give the united territorial communities a status, is close to the current status of cities of regional significance. Under these conditions, the most relevant is the financial aspect of the functioning of the united territorial communities, that is, ensuring their financial capacity.

For this, improving the management of territorial communities in the context of ensuring its sustainability on the basis of the triune concept of sustainable development - a harmonious combination of ecological, social and economic components - is of great importance. Sustainable development, among many problems, involves the tendency of ecosystems to self-regulate and self-renew, a natural environment that is safe for life, which is reflected in the life and health of people.

The trinity of the concept of "sustainable development" implies a harmonious combination of ecological, social and economic components. In general, from an ecological point of view, it should ensure the integrity and viability of the natural environment, overcome the ecological crisis and prevent environmental risks, ensure the constitutional rights of citizens to a natural environment safe for health and life, prevent actions that violate the ability of ecosystems to self-regulate and self-renew. And the natural resource potential of the state

must be considered as the foundation of life, the preservation of which is a mandatory condition for the functioning of the socio-economic system.

The social component is aimed at preserving the stability of existing social systems and ensuring a fair distribution of resources and opportunities among all members of society, which involves guaranteeing a decent standard of living for each person, as well as preserving this right for future generations.

The economic component involves the optimal use of limited resources and the use of environmentally friendly and at the same time resource- and energy-saving technologies, including the extraction and processing of raw materials, the creation of environmentally acceptable products, the minimization, processing and destruction of waste. In modern conditions, when the domestic industry, being in the conditions of transformational changes, loses its competitiveness in the world market, this issue becomes extremely urgent.

Being a multi-level and branched structure, the system, transforming, forms complex approaches to defining new forms of management mechanisms at all levels, taking into account the influence of meso-, macro- and micro factors.

Implementation of the concept of sustainable development is closely related to its corresponding provision at different levels of management: business entity (enterprise) – region – state. Therefore, the sustainable functioning of individual economic entities, namely territorial communities, is the basis of sustainable development of society.

The above justifies the need, in the conditions of market competition and sustainable development, to highlight and study the issues of financial stability of the primary economic units - territorial communities, as the basis for ensuring the financial stability and stability of the state.

**Literature review.** The new paradigm of social development, called “sustainable development”, provides search for ways to overcome threats to the environment and human health. “Sustainable development is defined as a form of interaction between society and nature, in which the survival of mankind and the preservation of the environment are ensured, current generations provide for their life needs, without depriving future generations of the opportunity to also meet their own needs” [1]. This is “such development of countries and regions, when economic growth, material production and consumption, as well as other types of social activities take place within the limits determined by the ability of ecosystems to regenerate, absorb pollution and support the livelihood of current and future generations” [2].

Wald B. states that “sustainable development is a way of organizing society’s activities, according to which it will be able to exist in the long term. It aims to achieve social and economic justice, preserve the environment and restore used natural resources” [3].

At the UN summit, 17 sustainable development goals were developed, which define the general idea of life for 200 countries of the world until 2030 and are outlined in the document “Transforming our world: Agenda for sustainable development for the period until 2030” [4]. They are defined therethe main signs of sustainable development, such as: compliance with the conditions of qualitative growth and dynamic development during the transition from extensive to intensive development; socio-economic aspects of production and other economic activities are taken into account regardless of the levels of their implementation

---

(global, national, regional, individual); the concept of a person as a bio-personality implies reasonable behavior and the growth of ecological consciousness.

The issue of the functioning and reform of the branches of the Ukrainian economy in the context of the European integration processes and the component of the financial mechanism of sustainable development of Ukraine are considered by scientists O. Kyrylenko, O. Tulay [5].

As a definition of economic science, the sustainability of enterprises is considered by scientists, analysts, and managers. The essence of sustainable functioning of the enterprise has become the subject of research by such a number of researchers.

According to Melnyk L. M. "sustainable development involves the possibility of a system of interconnected elements of the enterprise to ensure viability and growth of economic efficiency, taking into account the influence of various environmental factors" [6].

Doisan-Korovyonkova N. V. states that "sustainable development is a system of coordinated management, economic, social, and environmental measures aimed at forming a self-improving (at the expense of internal potential) system of social relations based on trust, partnership, solidarity, ethical values, safe environment, sustainability of economic development" [7]. "And ensuring the sustainable development of the national economy, spheres of economic activity and specific enterprises is possible on the basis of anti-crisis management" [8].

Kim S., Mehrotra A. dwell on "possibilities of a compromise between the goals of price and financial stability". Based on structural vector autoregressions that include monetary and macroprudential policy shocks for four inflation-targeting Asia-Pacific economies, the authors analyze the role of each policy shock in explaining deviations from the goal of financial stability [9].

The Self-Organizing Financial Stability Map (SOFSM) methodology, which can be used to display the state of financial stability and visualize potential sources of systemic risks, is covered by Peter Sarlin and Tuomas A. Peltonen [10].

The sustainable functioning of various business entities is determined by its financial stability, which is a constituent element of the definition financial condition of an economic agent and, accordingly, the subject of research of domestic and foreign scientists-analysts: Yu. Tsal-Tsalka, Bazilinska, V. Kovalenko, O. Pavlovska, S. Zhukevich.

In particular, Rozheliuk V., Zhukevich S. consider the basic provisions of the concept of sustainable development of Ukraine and justify its necessity implementation at the enterprise level. Determining the connection between the sustainable development of various levels of economic activity and the financial stability of the enterprise, the importance of the financial component as the basis of survival in the market space is emphasized. The authors systematized a system of indicators and models for determining the financial growth of enterprises depending on the information base [11].

Zhukevich S., Karpysheva N., Shegero O. considered the methodological approach to the analysis of the financial stability of health care institutions in the conditions of sustainable development. The authors highlight the algorithm for determining financial stability, which includes the use of the balance sheet model of financial equilibrium, a three-component indicator, the determination of the optimal degrees of coverage of the sources of financial

support of health care institutions, and the calculation of absolute and relative indicators [12].

Modern studies of financial stability in the context of sustainable development are considered Vasilakakis, K., Tabouratzi, E., Sdrali, D. determination of economic sustainability criteria for hotel enterprises. New criteria of economic stability, such as a healthy profitability ratio, financial stability ratio, have been proposed for smooth operations and achieving sustainability in the long term, room occupancy, revenue per guest. However, it would be advisable to take into account the systemic approach and external factors influencing the financial stability of enterprises [13].

Alkhodary D. illuminates and studies the integration of sustainable development into the practice of strategic management of banks, paying more and more attention to the professionalism of management in the banking sphere. The conceptual framework of the study outlines the independent variable as strategic management, including formulation, implementation, monitoring, evaluation and leadership, while the dependent variable is sustainability, focusing on both social and environmental goals [14].

The strategic direction of financial stability is also highlighted by scientists Abuselidze G., Nekhoda Yu., Bilyak Yu., who highlight methodological features and substantiate practical measures in the organization of strategic directions for ensuring the financial stability of a transport enterprise. The authors distinguish financial analysis as a set of measures used in the research process. However, methodical techniques for determining the financial condition of the enterprise are not sufficiently covered [15].

As for the definition of financial stability in the context of sustainable development, it should be noted the relevance and necessity of research in this area. In particular, the state level has developed an assessment project the level of financial capacity of territorial communities, which provides The analysis of the financial capacity of territorial communities is based on community potential indicators, taking into account the interbudgetary transfers received from the state budget, and determines their threshold values, as well as the algorithm for calculating the integral index of development of the potential of territorial communities [16]. The following indicators are used to determine the territorial community potential development index: a) revenues of the general fund per 1 inhabitant; b) the share of expenses for the maintenance of the apparatus of the council of the territorial community and its executive bodies in the budget of the territorial community; c) capital expenditures per resident; d) level of subsidization of the budget of the territorial community; e) specific weight of wages in expenditures of the general fund of the budget of the territorial community; e) expenditures on culture, physical education and sports per 1 inhabitant; g) the share of territorial community income due to transfers from the state budget; h) the share of local taxes and fees in the revenue part of the general fund of the budget of the territorial community [16].

This method was used in the research of Prihno I., Prodanova L. The authors analyzed the budgets of territorial communities in 2019-2022, in particular, the revenues and expenditures of the general fund, analyzed the budgetary efficiency of the territories and calculated the integral index of development of the potential of the territorial community. The performed calculations of the financial capacity of territorial communities make it possible

---

to quantitatively measure the level of financial capacity and calculate the percentage of growth of the financial capacity of the territorial community at the regional level [17].

Hrynchyshyn I investigated the theoretical foundations of the financial capacity of territorial communities. In the context of achieving the results of administrative and financial decentralization, the parameters of assessing the financial capacity of territorial communities were characterized. The need to improve the criteria for the financial capacity of territorial communities in terms of identifying the sources of income tax on the income of individuals, the number of enterprises operating on the territory of the territorial community, and the number of tax payers has been identified [18].

Based on the analysis of budgets, Kirylenko O., Baranets Ya. identified the main problems in ensuring the financial capacity of the united territorial communities (UTC). In order to increase the financial capacity of the UTC, the authors proposed directions for its increase, which involve improving the procedure for paying personal income tax not by the place of registration of taxpayers, but by the location, as well as the use of inter-municipal cooperation between UTC, especially with low financial capacity, and use of the participation budget for residents of UTC [19].

The analysis of the works of the specified authors showed the contradictory approaches and lack of a mechanism for determining the financial stability of the territorial community at the micro level, as a primary link. Experimental nature and incompleteness of the solution problems developing a system of indicators financial capacity as a basis sustainable development indicates a complex scientific problem.

Despite the significant number of approaches to the implementation of the concept of sustainable development at enterprises developed in recent years, the practical mechanism is not perfect. The difficulty lies in the lack of clear criteria and algorithms for the analysis of the financial stability of enterprises of various organizational and legal forms of business, since it does not take into account the sizes, stages of the life cycle, and what is especially relevant today, changing business conditions, force majeure situations and crisis events. Therefore, partly new, not characteristic of a relatively stable market economy, changing business conditions need to be taken into account in the methodical development of the definition of processes and phenomena and their study in the specified realities.

At the same time, the formation and implementation of the concept of sustainable development is a complex, multi-vector process that takes place at the micro and macro levels under the influence of various factors of the external environment and the internal state of economic entities. In this case, an important task for territorial communities is the construction of a management system for the formation and implementation of their sustainable development strategy, which ensures the effectiveness of the activities and financial stability of territorial communities.

In the context of the outlined conceptual ideas, **the purpose** of the article is to research theoretical approaches to the definition of criteria and methods of analysis of financial stability as the main concept of management of territorial communities in conditions of sustainable development.

**Research results.** The adoption of the concept of sustainable development at different levels of management leads to a change in the paradigm of the traditional economic system and the introduction of new management approaches with the coordination of the

interests of the social, economic and environmental spheres. The stability of the functioning of business entities in general and territorial communities in particular is determined by their sustainable development with the use of effective management mechanisms. The sustainable development of territorial communities is accompanied by a gradual change or maintenance of all indicators of their stability at the appropriate level, which allows to resist the negative factors of the external environment thanks to the use of internal potential, while preserving its integrity and main properties. That is, it can be argued that the sustainable development of territorial communities is ensured on the basis of taking into account the influence of the external environment and improving strategic management within the enterprise in order to increase the efficiency of its activities and continuous development.

The reform of local self-government involves ensuring the development of self-sufficient regional territories, creating conditions for improving the livelihood of territorial communities. The priority of the state regional policy is to support and promote the increase of competitiveness, financial stability and success of the united territorial communities (UTC). "In this context, issues of the quality of long-term plans, according to which communities are united, their socio-economic development strategy and personnel composition, investment policy and projects for receiving subventions from the State Regional Development for the development of infrastructure, are of decisive importance" [20].

It should be noted that the financial capacity of territorial communities depends on management activities, which involve the development, implementation and control of planned activities of territorial communities. The information base for making management decisions regarding further development, determining priorities, and finding internal reserves for improving the effectiveness of territorial communities is the data of an analytical study. Using available reporting and accounting information and modern methods of analysis, managers assess the financial and economic condition, determine further prospects for the development of territorial communities, which are increasingly acquiring features of entrepreneurial structures.

The purpose of the analysis of the financial and economic activity of territorial communities is to determine their financial status and results of activity for the reporting period and to forecast the level of FS in the future. The financial stability of territorial communities is this such is the state of their financial resources, rational management of which provides the balance of assets and liabilities in a changing external and internal environment, solvency and investment attractiveness within the limits of an acceptable level of risk. Accordingly, the FS analysis allows to diagnose existing and potential sources of financing, justify the amount and sources of attracting new funds.

Analysis of the financial stability of territorial communities on a certain date allows to assess their readiness to repay their debts, financial independence, trends in changes in the level of this independence, compliance of the state of assets and liabilities with the main tasks of their economic activity, to establish how rationally the managers of institutions managed state and independently raised funds in past periods.

Thus, it is obvious that the analysis of the quantitative characteristics of the financial stability of territorial communities is of great importance in the unstable, competitive conditions of the market economy, since its low level can lead to insolvency or bankruptcy.

---

At the same time, the stability of territorial communities is determined by the efficiency of the use of financial resources, compliance with financial, credit and settlement discipline, that is, solvency and the availability of own working capital, which should be at least 50 % of the financial resources necessary for economic activity. Therefore, the sustainable development of the enterprise is a gradual change or maintenance at the proper level of all indicators of the sustainability of the enterprise, capable of resisting the negative factors of the external environment, using internal potential, while preserving the integrity and main properties. That is, it can be argued that the sustainable development of the enterprise is ensured on the basis of taking into account the influence of the external environment and improving strategic management within the enterprise in order to increase the efficiency of its activities and continuous development.

The existing methods and practices for assessing the financial stability of business entities are quite time-consuming, different in various studies. The difficulty for managers lies in the use and calculation of a large number of indicators, which are a summary of separate characteristics that are often not related to each other and complicate the process of determining the financial state of the enterprise. It is also noted that the factors that determine the sustainability of entities and the characteristics of enterprises are not fully taken into account: industry, size, organizational and legal forms of business. There is no mechanism for analyzing the financial stability (FS) of territorial communities as primary links.

Theoretical studies of the essence and study of existing methods of determining financial stability made it possible to outline the following tasks of their adaptation for territorial communities:

- to determine the type of financial stability of territorial communities according to the level of financial support, taking into account various sources (method of generalizing (absolute) indicators);
- to carry out an analysis of the financial stability of territorial communities using partial (relative) indicators - the ability to repay their short-term obligations with available mobile assets, determining the share of various types of financing in the aggregate sources of financial support;
- analyze the ratio between the funds of the general and special funds of territorial communities (study of the structure of financial support);
- determining the level of financial stability territorial communities- stable, unstable, crisis state.

In turn, FS analysis involves the calculation of financial ratios, the methodology of which is covered by researchers of financial analysis. The information base for FS analysis is data from accounting, economic, and planning departments. Namely: financial plan data, financial accounting statements, management reporting.

FS analysis methodology territorial communities includes two components:

- assessment of the FS level, which involves the calculation of relative and absolute indicators and the comparison of assets and sources of their financing;
- FS stock analysis, provides determination of the safety zone, financial and operational leverage, critical volume of implementation.

For financial analysis, one should use general scientific methods of research, analysis and synthesis, as well as specific system methods and models of financial analysis -structural-dynamic and coefficient analysis, financial and management analysis.

Systematicity involves taking into account all factors affecting financial stability, to which they belong: factors of the external environment (market conditions, inflation, regulatory and legal support, financing system, price level, taxation system; internal state factors (resource potential, enterprise management system).

The calculation of the type of financial stability as a criterion for the efficiency of the financial and economic activity of the enterprise will be carried out on the basis of the balance sheet model of financial equilibrium, which has the form [12; 21; 23]:

$$NA+NFA+CR+C=OC+LtL+StL+CA+I, \tag{1}$$

where *NA* – non-current assets;

*NFA* – non-financial current assets (inventories);

*CR* – current receivables, cash;

*C* – costs (expenses);

*OC* – own capital;

*LtL* – long-term liabilities;

*StL* – short-term liabilities;

*CA* – current arrears for long-term obligations, short-term promissory notes issued, accounts payable, settlements;

*I* – income.

The components of the balance model are calculated in table 1.

Table 1

**Indicators of the balance sheet model of financial equilibrium**

No	Designation	Content of the indicator
1.	NA	Non-current assets (residual value of intangible assets, fixed assets, other non-current tangible assets, unfinished capital construction)
2.	NFA	Non-financial current assets (materials and foodstuffs, low-value and perishable items, other stocks)
3.	CR	Receivables, (settlements for intra-departmental stock transfer operations, settlements for separate programs, short-term bills received, other funds, cash in transit, bank accounts, bank accounts, cash register
4.	C	Expenses (expenses)
5.	OC	Equity capital
6.	LtL	Long-term liabilities
7.	StL	Short-term loans
8.	CA	Current debt for long-term obligations, short-term promissory notes issued, accounts payable, settlements for intra-departmental stock transfer operations, settlements for separate programs
9.	I	Income

Note: developed by the authors generalized based on [12; 21; 22].

To determine the type of financial stability, we will calculate the most optimal sources of attracting funds. This technique is quite often used to study the financial stability of enterprises (Table 2).

Table 2

**Sources of enterprise funding**

No	Indicator	Symbol	Value	Determination method
1.	Availability of own working capita	Ev	The difference in equity and non-current asset	$E_v = OC - NA$
2.	Availability of own and borrowed long-term sources of formation of reserves and expenses	Et	The sum of equity and long-term liabilities	$E_t = + StL$
3.	The total value of the main sources of the formation of reserves and costs	Es	The sum of equity capital, long-term liabilities and short-term loans	$E_s = E_t + KZ$

Note: generalized based on [21; 22; 23].

To determine the type of financial stability of enterprises, we will use a three-component indicator [11; 21; 22; 23]:

$$S = \{S_1(\pm Ev), S_2(\pm Et), S_3(\pm Es)\} \quad 2$$

where the function that we calculate as:

$$S(X) \begin{cases} 1, X \geq 0 \\ 0, X < 0 \end{cases} \quad 3$$

As a result of the calculation and comparison of indicators, the following types of financial stability are distinguished:

1. Absolute stability:

$$\begin{cases} \pm Ev \geq 0 \\ \pm Et \geq 0 \\ \pm Es \geq 0 \end{cases} S = (1, 1, 1) \quad 4$$

Such a state is rare and, even, not ideal, since external sources of funds are not involved in financial and economic activity.

2. Normal resistance:

$$\begin{cases} \pm Ev < 0 \\ \pm Et \geq 0 \\ \pm Es \geq 0 \end{cases} S = (0, 1, 1) \quad 5$$

This situation is the most desirable, since business entities attract long-term loan funds.

3. Unstable financial condition:

$$\begin{cases} \pm Ev < 0 \\ \pm Et < 0 \\ \pm Es \geq 0 \end{cases} S = (0, 0, 1) \quad 6$$

In this case, a violation of solvency is characteristic, however, there is a possibility of restoring balance by reducing receivables, accelerating stock turnover. Although such a situation is acceptable if the amount of short-term loans and borrowed funds does not exceed the total cost of raw materials, materials and services produced,

Crisis financial situation:

$$\begin{cases} \pm Ev < 0 \\ \pm Et < 0 \\ \pm Es < 0 \end{cases} S = (0, 0, 0)$$

7

In this case, cash, short-term securities and accounts receivable do not cover accounts payable and overdue loans, which indicates the possibility of bankruptcy.

We will determine the type of financial stability of the conditional enterprise based on the calculations of absolute indicators based on financial statements, the values of which are shown in the tables 3.

Table 3

**Absolute indicators of the financial stability of the territorial communities,  
thousand hryvnias**

No	Indicator	2021	2022	Deviation
1.	Non-current assets	8683,5	4722,2	-3961,3
2.	Non-financial current assets	80,9	108,1	27,2
3.	Accounts receivable, settlements for intra-departmental stock transfer operations, cash register	64	31,8	-32,2
4.	Expenses	7594,6	2749,5	-4845,1
5.	Equity	8739,9	3094,8	-5645,1
6.	Long-term liabilities	74,3	108,1	33,8
7.	Short-term loans	-	-	-
8.	Current debt	14,2	1,7	-12,5
9.	Income	16,2	15,8	-0,4

Note: formed on the basis of information data of the financial statements of the Baikovets united territorial community [24]

From the data in the table, it can be concluded that the absolute amount of non-current assets of the territorial community decreased by UAH 3,961.3 thousand, which is negative, because the material and technical support, which is necessary for providing quality services, decreases.

The amount of reserves increased by UAH 27.2 thousand, which is positive, because it also characterizes the material security of the Baikovets united territorial community. However, inventory management requires a special approach - their number should be optimal, because from the point of view of financial analysis, it is an average liquid asset that requires funds to maintain. In addition, an increase in inventories leads to a slowdown in the turnover of working capital.

Receivables for goods and services decreased by UAH 32.2 thousand, which is positive, because for the territorial community, funds that fall out of circulation in the form of receivables reduce working capital and the opportunity to invest them in the development of the territorial community. The decrease in current debt by UAH 12,500 is also positive. The decrease in expenses by UAH 4845.1 thousand can be estimated from two positions. 1-cost reduction is a positive phenomenon, because profit increases; 2 - reducing costs can affect the quality of service provision, which is extremely important for service provision, and

which, accordingly, can reduce the demand for services and reduce the competitiveness of the territorial community.

The negatives are: a decrease in equity by UAH 5,645.1 thousand, which contributes to the deterioration of the company's financial condition and its safe functioning on the market; availability of long-term loans, the amount of which increased by UAH 33.8 thousand. The absence of short-term loans is positive.

Despite the fact that the negative dynamics of the indicators are observed, it is impossible to make an unambiguous conclusion about the type of FS of the territorial community. Therefore, using the data in Table 2 and the calculation of the FS type of the territorial community using a three-component indicator (formula 2), it is recommended to determine the optimal degree of coverage of the sources of financial support of the Baikovets united territorial community (Table 4).

*Table 4*

**Optimum degrees of coverage of sources of financing of the territorial community, thousand hryvnias**

Indicators	2021	2022	Deviation
- Availability of own working capital	56,4	-1627,4	-683,8
Et - Availability of own and borrowed long-term sources of formation of reserves and expenses	8814,25	3111	-5703,25
Es - Total value of the main sources of formation of reserves and costs	8814,25	3111	-5703,25
The type of financial stability is absolute absolute	absolute	normal	x

Note: formed on the basis of informative data Baikovetska United Territorial Community [24].

We observe a decrease in the territorial community's own working capital by UAH 683.8 thousand, and, accordingly, during the period under study, financial stability went from absolute to normal, that is, the financial condition worsened, which is a negative characteristic.

However, the analysis of the FS level by means of an assessment of the structure of funding sources or on the basis of a comparative analysis of the absolute indicators of asset and liability items can give distorted results. Thus, during the crisis period, there are usually no loan funds in the liabilities of the balance sheet due to a decrease in creditworthiness. At the same time, the financial ratios show a fairly high level of financial stability, which contradicts the de facto state of the enterprise.

However, to take into account a number of other factors and a more detailed analysis, it is necessary to use other research methods. Namely, the calculation of relative indicators, which will be the subject of our further investigations.

**Conclusions.** Therefore, the financial stability of territorial communities is thissuch a state of financial resourcesof the economic entity, the rational management of which providesthe balance of assets and liabilities in a changing external and internal environment, solvency and investment attractiveness within the limits of an acceptable level of risk. Since the level of financial stability depends on the efficiency of the use of financial resources, an

important task of managers is rational and effective management, the functional component of which is the analysis of the financial stability of the territorial community.

The purpose of the analysis of the financial and economic activity of the territorial community is to determine their financial condition and results of activity for the reporting period and forecast the level of financial stability in the future. An analysis of the financial stability of a territorial community on a certain date allows us to assess their readiness to repay their debts, financial independence, trends in changes in the level of this independence, compliance of the state of assets and liabilities with the main tasks of their economic activity, and to establish how rationally managers of enterprises use their own and borrowed funds.

To achieve the goal and objectives of the analysis, it is necessary to use methods and models of financial analysis in the management of the territorial community.

The algorithm for determining the financial stability of the territorial community proposed in the study includes the use of the balance model of financial equilibrium, a three-component indicator, and the determination of optimal levels of coverage of sources of financial support. Attention is focused on the need to choose coefficients that best characterize individual features of the activity of a specific business entity.

It should be noted that financial stability, in addition to quantitative indicators of financial activity, has a significant impact on qualitative characteristics such as: professionalism of management personnel, quality production or provision of services, image on the market, satisfaction of employees and consumers with the quality of life, implementation of innovative ways of attracting various sources financial resources, etc. However, to take into account these and other factors and more detailed analysis, it is necessary to use other research methods. Namely, the calculation of relative indicators, the use of economic-mathematical tools for calculation and forecasting, which will be the subject of our further research.

### **References**

1. The essence of the concept of sustainable development of Ukraine. Retrieved from <https://niss.gov.ua/doslidzhennya/nacionalna-bezpeka/proekti-koncepcii-stalogo-rozvitku-ukraini-mozhlivist-ikh> [in Ukrainian].
2. Draft Law of Ukraine "On the Strategy of Sustainable Development of Ukraine for the Period Until 2030". Retrieved from <https://ips.ligazakon.net/document/JH6YF00A?an=332> [in Ukrainian].
3. Wald, V. (2021). Sustainable development: what it is, why it is important and what Ukraine has to do with it. Ukrainian capital (Ucap). 05/28/2021. Retrieved from <https://ucap.io/stalyj-rozvytok-shho-cze-chomu-cze-vazhlyvo-ta-do-chogo-tut-ukrayina> [in Ukrainian].
4. Goals of sustainable development and Ukraine. *National report* (2017). Retrieved from <https://www.kmu.gov.ua/diyalnist/cili-stalogo-rozvitku-ta-ukrayina> [in Ukrainian].
5. Formation of the financial mechanism of sustainable development of Ukraine: monograph.; edited by Dr. Econ. Sciences, Prof. O. P. Kyrylenko and Dr. Econ. of Science, Assoc. O. I. Tulay. Ternopil: TNEU, 2017. 413 p. Retrieved from <http://dspace.wunu.edu.ua/handle/316497/27118> [in Ukrainian].

- 
6. Melnyk, L. M. (2018). Theoretical and methodological principles of sustainable development of machine-building enterprises based on business process management: autoref. thesis ... Dr. Econ. Sciences: specialist 08.00.04 - economy and enterprise management. TNTU Ternopil. 42 p. Retrieved from <http://elartu.tntu.edu.ua/handle/lib/21416> [in Ukrainian].
  7. Doisan-Korovyonkova, N. V. Sustainable enterprise development as a process and economic phenomenon: theoretical aspects. Herald of socio-economic research. 2014. Issue 2(53) P.4-55. Retrieved from [http://nbuv.gov.ua/UJRN/Vsed\\_2014\\_2\\_10](http://nbuv.gov.ua/UJRN/Vsed_2014_2_10) [in Ukrainian].
  8. Aref'eva, O. V., Piletska, S. T., Kravchuk, N. M. (2020). Adaptive management of the financial stability of the enterprise while ensuring its economic security. *Problems of the systemic approach in economics*. Issue 1 (1). P. 80-89. Retrieved from [http://nbuv.gov.ua/UJRN/PSPE\\_print\\_2020\\_1%281%29\\_\\_14](http://nbuv.gov.ua/UJRN/PSPE_print_2020_1%281%29__14) [in Ukrainian].
  9. Kim, S. and Mehrotra, A. (2017). Managing price and financial stability objectives in inflation targeting economies in Asia and the Pacific. *Journal of Financial Stability*, 29, 106-116. Retrieved from <https://doi.org/10.1016/j.jfs.2017.01.003> [in English].
  10. Sarlin, P., Peltonen, T. A. (2013). Reflecting the state of financial stability. *Journal of international financial markets, institutions and money*. T. 26. P. 46-76. Retrieved from <https://doi.org/10.1016/j.intfin.2013.05.002> [in English].
  11. Rozheliuk, V. M., Zhukevich, S. M. (2018). Financial stability of the enterprise in the context of sustainable development of Ukraine. *World of finance*, 4 (57), 75-85. Retrieved from <http://sf.wunu.edu.ua/index.php/sf/article/view/1071> [in Ukrainian].
  12. Zhukevich, S., Karpysyn, N., Shegera, O. (2022). Analysis of the financial stability of health care institutions in conditions of sustainable development. *World of finance*, 3 (72), 111-126. DOI: <https://doi.org/10.35774/visnyk2022.04.028> [in Ukrainian].
  13. Vasilakakis K., Taburatsi E., Sdrali, D. Economic sustainability of tourist enterprises: proposal of criteria in hotels. *International Journal of Professional Business Review*, 8 (4), 2023. Retrieved from <https://doi.org/10.26668/businessreview/2023.v8i4.1769> [in English].
  14. Alkhodary, D. (2023). Integrating Sustainability into Strategic Management: a Path Towards Long-Term Business Success. *International Journal of Professional Business Review*, 8, e01627. DOI: <https://doi.org/10.26668/businessreview/2023.v8i4.1627>. [in English]
  15. Abuselidze G., Nekhoda Yu., Bilyak Yu. (2023). Strategic directions for ensuring the financial stability of the transport enterprise. *Computational Science and Its Applications – ICCSA 2023. Lecture Notes in Computer Science*. Vol. 13957. P. 163-178. DOI: [https://doi.org/10.1007/978-3-031-36808-0\\_11](https://doi.org/10.1007/978-3-031-36808-0_11) [in English].
  16. Methodical recommendations for assessing the level of financial capacity of territorial communities 18. (draft). Ministry of Development of Communities and Territories of Ukraine. Kyiv, 2021. 9 p. Retrieved from <https://decentralization.gov.ua/uploads/library/file/751> [in Ukrainian].
  17. Prikhno I., Prodanova L. (2022). Methodical approaches to assessing the level of financial capacity of territorial communities. *Bulletin of the Khmelnytskyi National*

- University. Economic Sciences*. No. 6. Vol. 1. DOI: [https://doi.org/10.31891/2307-5740-2022-312-6\(1\)-1](https://doi.org/10.31891/2307-5740-2022-312-6(1)-1) [in Ukrainian].
18. Grynchyshyn, I. (2019). Financial opportunity of territorial communities in the context of evaluating the results of administrative and financial decentralization. *Socio-economic problems of the modern period of Ukraine*. Vol. 139 (5). P. 26-32. DOI: <https://doi.org/10.36818/2071-4653-2019-5-4> [in Ukrainian].
  19. Kirylenko, O., Baranets, Ya. Experience in ensuring the financial capacity of united territorial communities. *Herald Ternopil National of the University of Economics*. 2020. Issue 3. P. 54–68. DOI: <https://doi.org/10.35774/visnyk2020.03.054> [in Ukrainian].
  20. Zhuk, N. T., Kuz, V. B. Comparative analysis of the financial capacity of united territorial communities of Ternopil region. *Accounting, taxation and control: theory and methodology: coll. materials of the 3rd international scientific and practical conference. Internet Conf. (26.06.2018)*. Ternopil: TNEU, 2018. P. 85-87. [in Ukrainian].
  21. Zhukevich, S., Zhuk, N. (2020). Methodology for the analysis of the financial stability of a health care institution. The state and prospects of the development of accounting and management accounting in the conditions of globalization: monograph. Ternopil: VOC “University thought”. P. 207-222. [in Ukrainian].
  22. Zhukevich, S. (2019). Management accounting technologies in the diagnosis of the financial stability of the enterprise in the context of sustainable development. Conceptual foundations of the development of the accounting and management accounting and reporting system: monograph. Ternopil: TNEU. Economic Opinion. P. 250-259. [in Ukrainian].
  23. Luchko M. R., Zhukevich S. M., Farion A. I. (2016). Financial analysis: a study guide. Ternopil: TNEU. 450 p. [in Ukrainian].
  24. The official website of the Baikovets rural territorial community. URL: <https://bsr1653.gov.ua/news/1563884184/> [in Ukrainian].

**Світлана ЖУКЕВИЧ,**

кандидат економічних наук, доцент,  
доцент кафедри обліку і оподаткування,  
Західноукраїнський національний університет,  
вул. Львівська, 11а, м. Тернопіль, 46009, Україна,  
e-mail: [sveta\\_zyke@ukr.net](mailto:sveta_zyke@ukr.net)  
ORCID ID: 0000-0002-6088-6232

**УПРАВЛІНСЬКИЙ КОНЦЕПТ «ФІНАНСОВОЇ СТІЙКОСТІ»:  
АНАЛІЗ ТА КРИТЕРІЇ ВИЗНАЧЕННЯ В УМОВАХ СТАЛОГО РОЗВИТКУ  
ТЕРИТОРІАЛЬНИХ ГРОМАД**

**Анотація**

**Вступ.** Важливим елементом реалізації концепції сталого розвитку в Україні та процесу децентралізації є модернізація фінансового механізму та формування фінансово спроможних територіальних громад.

---

**Мета статті** – дослідження теоретичних підходів до визначення критеріїв та методів аналізу фінансової стійкості як основного концепту управління територіальними громадами в умовах сталого розвитку.

**Методи.** Для досягнення мети застосовуються загальнонаукові та спеціальні методи дослідження: аналізу й синтезу, порівняння й узагальнення, структурно-логічний, економіко-математичний та коефіцієнтний аналіз.

**Результати.** Запропонована методика аналізу фінансової стійкості територіальних громад охоплює дві складові: оцінку рівня фінансової стійкості, що передбачає розрахунок відносних і абсолютних показників та співставлення активів та джерел їх фінансування; аналіз запасу фінансової стійкості, що передбачає визначення зони безпеки, фінансового та операційного левериджу, критичного обсягу реалізації. Алгоритм визначення фінансової стійкості територіальної громади охоплює використання балансової моделі фінансової рівноваги, визначення трикомпонентного показника, віднаходження оптимальних ступенів охоплення джерел фінансового забезпечення. Акцентовано увагу на необхідності обрання коефіцієнтів, які найкраще характеризують окремі особливості діяльності конкретного суб'єкта господарювання.

**Перспективи.** На фінансову стійкість, крім кількісно розрахованих показників фінансової діяльності, значний вплив мають якісні характеристики, зокрема: професіоналізм управлінського персоналу, якісне виробництво чи надання послуг, імідж на ринку, задоволеність працівників та споживачів якістю життя, впровадження інноваційних способів залучення різних джерел фінансових ресурсів тощо, аналіз яких потребує застосування інших методів дослідження, що буде предметом наших подальших досліджень.

**Ключові слова:** управління, аналіз; фінансова стійкість; сталий розвиток; територіальна громада; фінансовий аналіз.

**Формули: 7, рис.: 0, табл.: 4, бібл.: 24.**

### **Література**

1. Сутність концепції сталого розвитку України. URL: <https://niss.gov.ua/doslidzhennya/nacionalna-bezpeka/proekti-koncepcii-stalogo-rozvitku-ukraini-mozhlivist-ikh>
2. Про Стратегію сталого розвитку України на період до 2030 року : проект Закону України. URL: <https://ips.ligazakon.net/document/JH6YF00A?an=332>
3. Вальд В. Сталий розвиток: що це таке, чому він важливий і що до цього має Україна. Український капітал (Ucap). 28.05.2021. URL: <https://ucap.io/stalyj-rozvytok-shho-cze-chomu-cze-vazhlyvo-ta-do-chogo-tut-ukrayina>
4. Цілі сталого розвитку та Україна. Національна доповідь 2017 р. URL: <https://www.kmu.gov.ua/diyalnist/cili-stalogo-rozvitku-ta-ukrayina>
5. Формування фінансового механізму сталого розвитку України: моногр.; за ред. д-ра екон. наук, проф. О. П. Кириленко та д-р екон. наук, доц. О. І. Тулай. Тернопіль: ТНЕУ, 2017. 413 с. URL: <http://dspace.wunu.edu.ua/handle/316497/27118>

6. Мельник Л. М. Теоретико-методологічні засади сталого розвитку машинобудівних підприємств на основі управління бізнес-процесами : автореф. дис. ... д-ра екон. наук спец. 08.00.04 – економіка та управління підприємствами. Тернопіль : ТНТУ, 2018. 42 с. URL: <https://elartu.tntu.edu.ua/handle/lib/25930>
7. Дойсан-Коровійонкова Н. В. Сталий розвиток підприємства як процесі економічне явище: теоретичні аспекти. Вісник соціально-економічних досліджень. 2014. Вип. 2 (53) С. 4–55. URL: [http://nbuv.gov.ua/UJRN/Vsed\\_2014\\_2\\_10](http://nbuv.gov.ua/UJRN/Vsed_2014_2_10)
8. Ареф'єва О. В., Пілецька С. Т., Кравчук Н. М. Адаптивне управління фінансовою стійкістю підприємства при забезпеченні його економічної безпеки. Проблеми системного підходу в економіці. 2020. Вип. 1 (1). С. 80–89. URL: [http://nbuv.gov.ua/UJRN/PSPE\\_print\\_2020\\_1%281%29\\_\\_14](http://nbuv.gov.ua/UJRN/PSPE_print_2020_1%281%29__14)
9. Kim S. and Mehrotra A. Managing price and financial stability objectives in inflation targeting economies in Asia and the Pacific. *Journal of Financial Stability*, 29, 106–116. URL: <https://doi.org/10.1016/j.jfs.2017.01.003>
10. Peter Sarlin, P., Tuomas A. Peltonen, T. A. Reflecting the state of financial stability. *Journal of international financial markets, institutions and money*. Т. 26, 2013, С. 46–76. DOI: <https://doi.org/10.1016/j.intfin.2013.05.002>
11. Рожелюк В. М., Жукевич С. М. Фінансова стійкість підприємства в контексті сталого розвитку України. Світ фінансів. 2018. Вип. № 4 (57). С. 75–85. URL: <http://sf.wunu.edu.ua/index.php/sf/article/view/1071>
12. Жукевич С., Карпишин Н., Шегера О. Аналіз фінансової стійкості закладів охорони здоров'я в умовах сталого розвитку. Світ фінансів. Вип. 3 (72), 2022. С. 111–126. DOI: <https://doi.org/10.35774/visnyk2022.04.028>
13. Vasilakakis K., Taburatsi E., Sdrali, D. Economic sustainability of tourist enterprises: proposal of criteria in hotels. *International Journal of Professional Business Review*, 8 (4), 2023. URL: <https://doi.org/10.26668/businessreview/2023.v8i4.1769>
14. Alkhodary, D. (2023). Integrating Sustainability into Strategic Management: a Path Towards Long-Term Business Success. *International Journal of Professional Business Review*, 8, e01627. DOI: <https://doi.org/10.26668/businessreview/2023.v8i4>.
15. Abuselidze G., Nekhoda Yu., Bilyak Yu. Strategic directions for ensuring the financial stability of the transport enterprise. *Computational Science and Its Applications – ICCSA 2023. Lecture Notes in Computer Science*. Vol. 13957. P. 163–178. DOI: [https://doi.org/10.1007/978-3-031-36808-0\\_11](https://doi.org/10.1007/978-3-031-36808-0_11)
16. Методичні рекомендації щодо оцінки рівня фінансової спроможності територіальних громад (проект). Міністерство розвитку громад та територій України. Київ, 2021. 9 с. URL: <https://decentralization.gov.ua/uploads/library/file/751>
17. Пріхно І., Проданова Л. Методичні підходи до оцінки рівня фінансової спроможності територіальних громад. Вісник Хмельницького національного університету. Економічні науки. № 6. Т. 1. 2022. [https://doi.org/10.31891/2307-5740-2022-312-6\(1\)-1](https://doi.org/10.31891/2307-5740-2022-312-6(1)-1)
18. Гринчишин І. Фінансова можливість територіальних громад у контексті оцінювання результатів адміністративно-фінансової децентралізації.

- 
- Соціально-економічні проблеми сучасного періоду України. Вип. 139 (5). 2019. С. 26–32. DOI: <https://doi.org/10.36818/2071-4653-2019-5-4>
19. Кириленко О., Баранець Я. Досвід забезпечення фінансової спроможності об'єднаних територіальних громад. Вісник Тернопільського національного економічного університету. 2020. Вип. 3. С. 54–68. DOI: <https://doi.org/10.35774/visnyk2020.03.054> [in Ukrainian].
  20. Жук Н. Т., Кузь В. Б. Порівняльний аналіз фінансової спроможності об'єднаних територіальних громад Тернопільської області. Облік, оподаткування і контроль: теорія і методологія: зб. матеріали III міжнародної науково-практ. Інтернет конф. (26.06.2018). Тернопіль : ТНЕУ, 2018. С. 85–87.
  21. Жукевич С., Жук Н. Методика аналізу фінансової стійкості закладу охорони здоров'я. Стан та перспективи розвитку бухгалтерського та управлінського обліку в умовах глобалізації: моногр. Тернопіль : ВОЦ «Університетська думка». 2020. С. 207–222
  22. Жукевич С. Технології управлінського обліку в діагностиці фінансової стійкості підприємства в контексті сталого розвитку. Концептуальні засади розвитку системи бухгалтерського та управлінського обліку та звітності: моногр. Тернопіль : ТНЕУ. Економічна думка, 2019. С. 250–259.
  23. Лучко М. Р., Жукевич С. М., Фаріон А. І. Фінансовий аналіз : навч. посіб. Тернопіль : ТНЕУ, 2016. 450 с.
  24. Офіційний сайт Байковецької сільської територіальної громади. URL: <https://bsr1653.gov.ua/news/1563884184/>

Статтю отримано 02 листопада 2023 р.  
Article received November 02, 2023.