

### Список використаних джерел:

1. Каплан Р. Сбалансированная система показателей. От стратегии к действию / [Р. Каплан, Д. Нортон; пер. С англ.]. – 2-е изд., испр. и доп. – М.: Олимп-Бизнес, 2004. – 320 с.

УДК 657.15-028.082](477)

*Savenko Hanna,*

*4 year student*

*Faculty of Finance, Kyiv national economic university named after Vadym Hetman*

*Zinkevych Tetyana,*

*PhD, Associate Professor, Associate Professor of Corporate Finance and Controlling, Kyiv national economic university named after Vadym Hetman*

### **Alternative methods of budgeting: aspects of their implementation in Ukraine**

With the rapid development of technologies, refinement and updating of budgeting methods is becoming extremely important. Historically formed traditional methods demonstrate low efficiency in environments with high mobility and volatility. With the formation of market economy and unstable economic and political situation in the country for businesses in Ukraine raises the question of finding ways of effective forecasting and planning their actions in future periods, accurate budgeting and productive implementation of budget planned.

There are basically four main alternative methods of budgeting, although most organisations are likely to prepare budgets using a combination of these methods. The four basic and the most promising methods are: 1) incremental budgeting; 2) rolling (continuous) budgeting; 3) zero-based budgeting; 4) activity-based budgeting.

Incremental budgeting is simply increasing prices and costs on a budget from one period to the next, with no significant changes to the budget. These marginal increments in prices and costs are most likely reflections of inflation. The basic

process are to use last years budget as a starting point, allow for any changes in the budget and add a percentage increase or decrease to reflect changes in prices and costs [1].

The problem with this method of budgeting is that it builds budgetary slack (providing a cushion in the budget in order to avoid an unfavourable variance at the end of the budgeting year). This may be achieved by spending up to the budget to get the same amount the following year, by spending money on discretionary and unnecessary items etc. For Ukraine another problem occurs: the difficulty of forecasting the level of inflation, due to the large number of factors of influence. Given the misguided forecasting of this indicator, either the outflow of funds from circulation and their ineffective use will occur, or there will be a sharp shortage of financing, which can lead to a business interaption (BI).It is possible to apply it only for certain goods, demand and prices on which remain stable within the certain period and that do not depend on exchange differences.

Managers may need to re-budget due to changes such as organizational structure change, competition, technology, environment, activity level, inflation etc. Rolling budgeting can deal with these changes by constantly being updated. The budget is reviewed periodically and changes are made to reflect the current conditions. This means that this method of budgeting provides more up-to-date and realistic information, thus any feedback during the reporting and analysis process is much more meaningful. This method can be reflected in Ukrainian enterprises due to considerable flexibility and mobility. The disadvantages of this method include the need for operational information gathering and the generation of periodic (weekly, monthly) reports for rapid response to changes in the environment, which will increase the cost of workers' time.

Zero-based budgeting means that the department/business starts with a budget of £0 and works its way up to a spending limit. There is a three-step technique adopted in carrying out this budgeting method: 1) define the decision packages; 2) rank the decision packages using cost/benefit analysis (starting with 1 as most important); 3) allocate resources accordingly [2].

This type of budget allows us to see, if the spending limit was to be cut, which decision package should be dropped, or which decision package to take on if the spending limit is increased. It is usually only practical to review the activities every 3 or 4 years, or if new activities are introduced. There are many advantages to using this type of budgeting system, for example: it creates an environment where change is accepted, helps to focus on the company's objectives and goals, identifies inefficient and obsolete operations, shows where money could be spent if they have additional funds, and others. However, defining decision packages and ranking them takes more time than other methods e.g. incremental, and therefore it may be considered a more disruptive method (although it may only be disruptive every few years).

Activity-based budgeting differs from traditional budgeting in that it concentrates on the factors that drive the costs, not just on historical expenditure. The volume of activity, for example, will be a key driver of the costs within any operations function and the quality of customer service will have a significant effect on the costs associated with customer liaison. The strategic objectives can drive the budgetary targets and determine the volume of activities to be performed. The budgets are then derived from the activities using estimated cost rates.

Activity-based budgeting justifies expenditure on the basis of activities performed in relation to the predetermined workers and places responsibility for cost control on the manager with responsibility for the control of the worker. Activity-based budgeting separates the analysis of cost/benefit and value of activities from the more mechanistic budgeting exercise, reducing the complexity of the budgetary process and concentrating attention on the management of the business not simply on the costs incurred. This method of budgeting requires a high qualification of its performers, but by focusing on the main activities of the enterprise, it allows you to predict the vet's activities with high accuracy[3].

Alternative methods of budgeting are gradually replaced by traditional, they show high efficiency, sometimes simplifying the calculation and forecasting. For use in Ukraine would be recommended to use a combination of these methods. The

basis could form the rolling and the activity-based budgeting, because they could be better adapted to the volatile environment and are oriented to the main activities of the enterprise. It is expedient to use zero-based budgeting once in a couple of years to check the effectiveness of functioning of the budgeting system and the correctness of establishing the expenditure part of the budgets.

#### References:

1. Andrew Scouller. The budgeting process and alternative budgeting systems [Електронний ресурс]. – Режим доступу:<https://andrewscouller.wordpress.com/2015/11/16/the-budgeting-process-and-alternative-budgeting-systems/>
2. Don Durfee. Alternative Budgeting [Електронний ресурс]. – Режим доступу:<http://ww2.cfo.com/2006/06/alternative-budgeting/>
3. Northern Ireland Assembly, Research and Library Service. Methods of budgeting[Електронний ресурс]. – Режим доступу:<http://www.focusintl.com/RBM150-0610.pdf>

**УДК 658.18**

*Салата М.Г.,*

*студент, 6 курс*

*Науковий керівник – Бабяк Н.Д.,*

*к.е.н., професор кафедри корпоративних фінансів і контролінгу*

*ДВНЗ «КНЕУ імені Вадима Гетьмана»*

#### **Фінансовий контролінг в транснаціональних корпораціях**

Актуальність даної теми, полягає в тому, що підвищення нестабільності зовнішнього середовища висуває додаткові вимоги до системи управління компанією, що вимагає механізму координації всіх елементів управління, тобто збільшення швидкості реакції на зміни зовнішнього середовища, підвищення гнучкості в прийнятті рішень; необхідність в безперервному відстеженні змін, що відбуваються в діяльності компанії, у