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CONDITIONS FOR FORMING A NEW PERSPECTIVE ON THE FINANCIAL PLANNING MECHANISM IN UKRAINE'S MODERN POLITICAL AND ECONOMIC ENVIRONMENT

ABSTRACT

The article analyzes the main factors of financial planning, which have undergone changes under the influence of circumstances in the activities of enterprises from open official sources. The main tools that contribute to the improvement of the company's financial indicators and increase the level of balanced development of business entities are highlighted. It was considered how financial sources are provided, due to which actions the sequence of implementation and execution of planning is ensured, and which indicators and requirements are used to control the implementation of financial indicators necessary for continuing to ensure the profitable operation of the enterprise.

The goal was to systematize and summarize how the uncertainty of the external environment affects changes in the mechanism of financial planning of Ukrainian business entities and how the view of understanding the essence of financial planning for an enterprise is changing.

The main goal of the study is to identify the factors that influence the financial planning of enterprises, including technical-economic, organizational-managerial, political-legal, and socio-psychological aspects in the current time period of external instability. The article substantiates how enterprises, as components of the internal and external markets, respond to such challenges and what decisions are made when ensuring the implementation of the financial planning mechanism in general. Also, attention is focused on the positive aspect of such changes and how exactly their functionality and effectiveness for enterprises are manifested, in particular, how financial planning, which is a key element of management in modern enterprises, improves the efficiency and rationality of the use of financial resources and ensures the stability and development of the enterprise.

Keywords: financial planning mechanism, novelty, latest methods, financial stability, sustainable development, centres of responsibility, external environment, econometric model, protection of economic interests

JEL Classification: G3

INTRODUCTION

Any environmental uncertainty, conflicts, and adverse circumstances have a significant impact on the economies of countries, especially. When it comes to military conflicts or man-made disasters, all this leads to significant economic changes not only in the state but also in society, market relations, and the business sphere. The more unfavourable or, the longer the uncertainty of the environment lasts, the more actively and as quickly as possible enterprises are required to adapt their strategies for survival and prolongation of economic and production activities in difficult conditions. Such circumstances require enterprises to be careful with their own production assets, minimize losses, rationalize their assets and implement innovative technologies that will ensure the survival of the enterprise, the closure of its current problematic issues, and the prolongation of its activities in the future. To date, the formation of a new approach to the mechanism of financial planning in the modern political and economic environment of Ukraine is

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due to a number of critical factors. These include macroeconomic challenges, political transformation, digitalization, difficult social situations and high risk of activity.

Macroeconomic challenges caused by military conflict, economic instability, inflationary processes and exchange rate fluctuations. It is they who create the need to adapt financial strategies to rapid changes in the external environment.

Political transformation directly affects the success of financial planning and requires taking into account political reforms, in particular decentralization, strengthening the regulatory framework, and the requirements of international organizations, such as the IMF and the EU.

Digitalization of the economy is developing rapidly and unceasingly. Thanks to the implementation of digital technologies, it opens up new opportunities for optimizing financial flows, automating planning processes and increasing the transparency of financial management.

Social needs require business to take social aspects into account, such as providing employment, supporting small and medium-sized businesses, and stimulating investment in infrastructure for post-war reconstruction.

Uncertainty requires the integration of risk management models into financial planning mechanisms that include adaptive and sustainable financial solutions. All this ensures the risk orientation of the financial planning mechanism and the orientation to risk management, as well as its importance for the enterprise, is growing.

As it is possible to see, none of the external events remained unaffected by the financial planning mechanism. In this context, the formation of a new perspective on financial planning is based on flexibility, adaptability, integration of innovative approaches and orientation to the long-term sustainability of enterprises and state institutions.

LITERATURE REVIEW

Here are several trends and authors whose works represent various aspects of innovation in financial planning and explore the impact of modern trends and technologies on management practices and the application of innovations in financial planning, including in Ukraine:

1. Direction: Digitization and innovations in financial planning

Reich, S., Birkinshaw, J., in «Organizational Ambidexterity: Antecedents, Consequences, and Moderators» examine organizational flexibility as an important aspect of modern financial planning, especially in the context of digitalization, and in their report, «Strategic Finance Planning Assumptions for 2012 and Beyond» explores how digital tools and analytics are changing financial planning processes.

Havrylenko N. G. in the research "Modern trends of digitalization of the economy: problems and development prospects" (2021) focuses on the influence of digital technologies as economic levers, and Bolgar T.M., Varenyk V.M., Pestovska Z.S., Miro I.M. in the work "Innovative information technologies in financial management" they raise the topics of the influence of digitalization on financial planning, in particular on the implementation of financial information systems and data analytics.

2. Direction: Financial planning in conditions of uncertainty

Tys D., Pisano J., and Shuen A., in the 1997 article "Dynamic capabilities and strategic management", analyze the dynamic capabilities of companies that allow them to adapt to changes, which is key in modern financial planning.

Kahneman, D., and Tversky, A., "Prospect Theory: Decision Analysis at Risk" (1979) explores risk and uncertainty, which is important for planning under conditions of instability.

Ukrainian researchers, such as Selska G.T. (2017) in his work "Financial planning at the enterprise: problematic aspects and directions for improvement", Nechyporenko A.V., Stabias S.M. (2022) in the study "Financial planning and forecasting in the enterprise management system." examine modern financial management strategies that help businesses adapt to economic volatility and global change.

3. Direction: Sustainable development and financial planning

Elkington, J., in "Cannibals with Forks: The Triple Bottom Line of 21st Century Business" (1997), explores the concept of the triple bottom line, which includes economic, environmental and social aspects increasingly integrated into financial planning.

Schaltegger, S., and Wagner, M., in the article "Integrated management of sustainability performance measurement and reporting" (2006), analyze approaches to integrating sustainable development into financial planning.

Khakhalev D.O. in the study "Assessment of the provision of sustainable development of the enterprise" (2024) focuses on the implementation of the principles of sustainable development in financial planning and their impact on business practices in Ukraine.

4. Direction: Institutional aspects and regulatory changes

North D. in the "Institutions, institutional changes and economic efficiency" (1990), examines and describes how institutional changes affect economic activity, which is important for understanding the evolution of financial planning.

Meyer, J.W., and Rowan, B. publish "Institutionalized Organizations: Formal Structure as Myth and Ceremony" (1977), which analyzes how institutional frameworks shape corporate strategies, including financial planning.

5. Direction: Innovative approaches to financial management

Kaplan, R.S., and Norton, D.P., published in 1992, "The Balanced Scorecard: Metrics That Improve Performance," introducing the concept of the balanced scorecard as a basis for innovation in financial planning.

Mintzberg, H. "The Rise and Fall of Strategic Planning" in 1994 describes a study of critical evaluation of traditional planning methods and offers new approaches to it.

Ukrainian scientists, for example, Kondrat O.B. (2024) in the work "Innovative financial instruments in the system of enterprise development", Kosach, I. A., Zhavoronok, A. V., & Degtyarev, A. V. (2021). In the study "Financial mechanism of innovative and investment development of entrepreneurship: modern aspects" the latest approaches and tools in financial planning are analyzed, their impact on the effectiveness of management decisions in enterprises of Ukraine.

6. Direction: Financial stability and risks

I. Chirak, publishing in 2020 the work "Financial stability, financial instability and financial stability of the economy", explores new approaches to financial risk management and ensuring the stability of enterprises in the changing economic environment.

As it is possible to see, the authors pay the main attention to the adaptation of financial models to changing market conditions, the development of forecasting methods that take into account modern economic trends, as well as the implementation of technological tools, such as artificial intelligence and big data. Researchers of innovation in financial planning strive to develop more adaptive, flexible and technologically integrated models that meet modern challenges and satisfy the needs of both individual and corporate investors.

AIMS AND OBJECTIVES

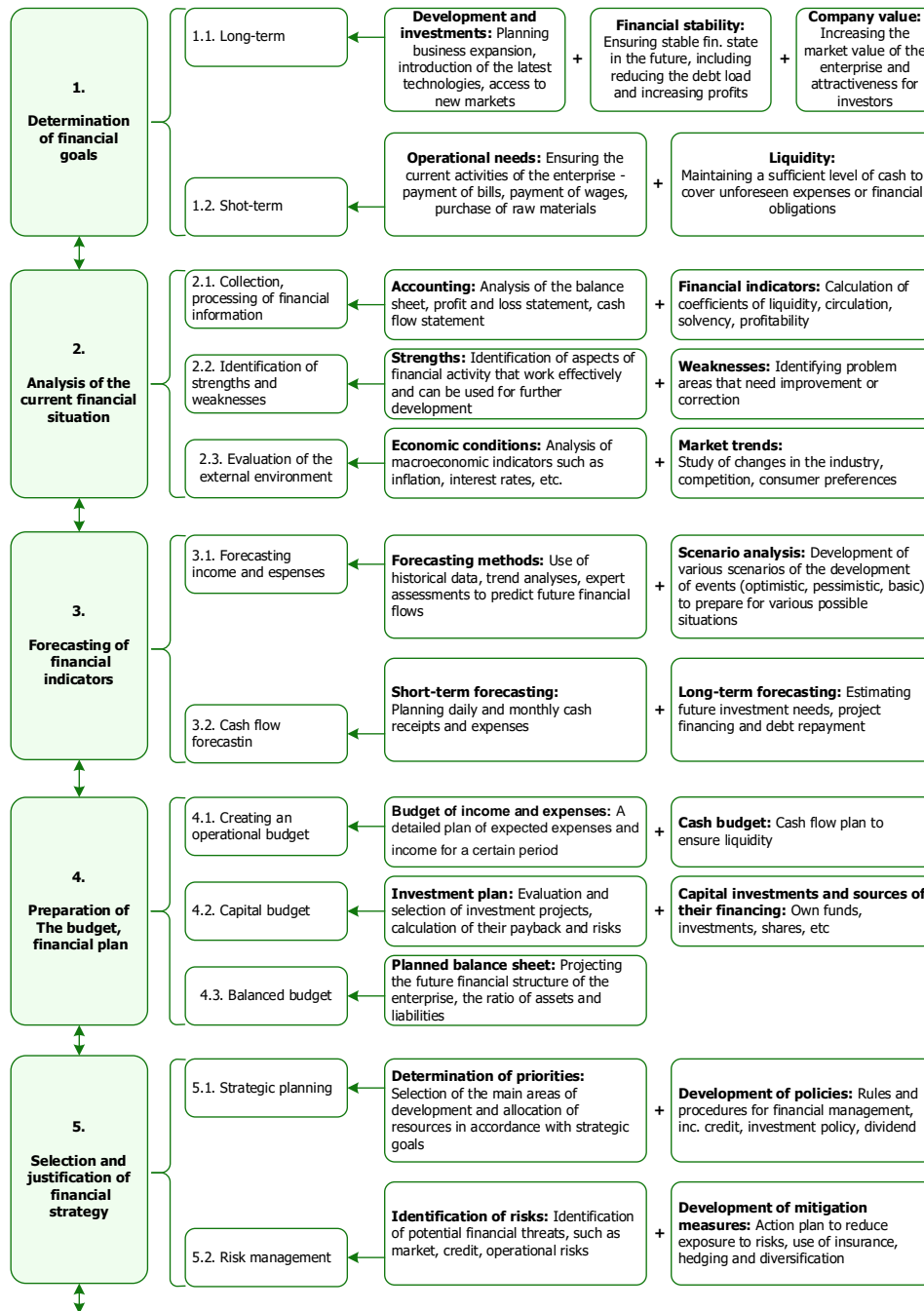
The aim of the article was to investigate what changes in the mechanism of financial planning of Ukrainian enterprises have undergone during the current five years, to describe the cause-and-effect relationships of certain changes in the external environment on certain segments of financial planning, to systematize the conclusions that the uncertainty of the external environment can have not only destructive consequences but also functional influences and describe what, in the author's opinion, is the main task of financial planning at the present time and how the view on the essence of the financial planning mechanism is changing for enterprises.

METHODS

To reveal the topic and form reasonable conclusions, modern general scientific methods in the field of economic research were applied and used, namely system-structural analysis to determine the current state of the market, comparative analysis of foreign and domestic experience in the field of choosing enterprise development measures in a period of uncertainty, assessment of the impact of legislative and regulatory acts and determination of their effect on changes and improvement of the mechanism of financial planning of enterprises, statistical analysis and grouping in the process of research quantitative indicators that characterize the financial condition of enterprises in Ukraine, generalization and systematization of actually implemented innovations and effective adaptation tools during the instability of the external environment.

RESULTS

Financial planning, in the general sense, is aimed at ensuring and determining the most functional, rational approach to the development of a certain enterprise, which will bring the greatest profit in the planned period. The mechanism of financial planning is a complex process that includes several interrelated stages and elements. It is aimed at effective management of the financial resources of an enterprise or a person to achieve the set goals. Also, it is a multifaceted process that covers all aspects of the company's financial activities. Effective financial planning allows the enterprise to optimally use its resources, minimize risks and achieve set financial goals, ensuring stability and competitiveness in the market. It is possible to determine the effectiveness of the mechanism in each specific enterprise at the expense of an econometric model that shows the relationship between its components. In a general sense, the main components of the financial planning mechanism are (Figure 1):



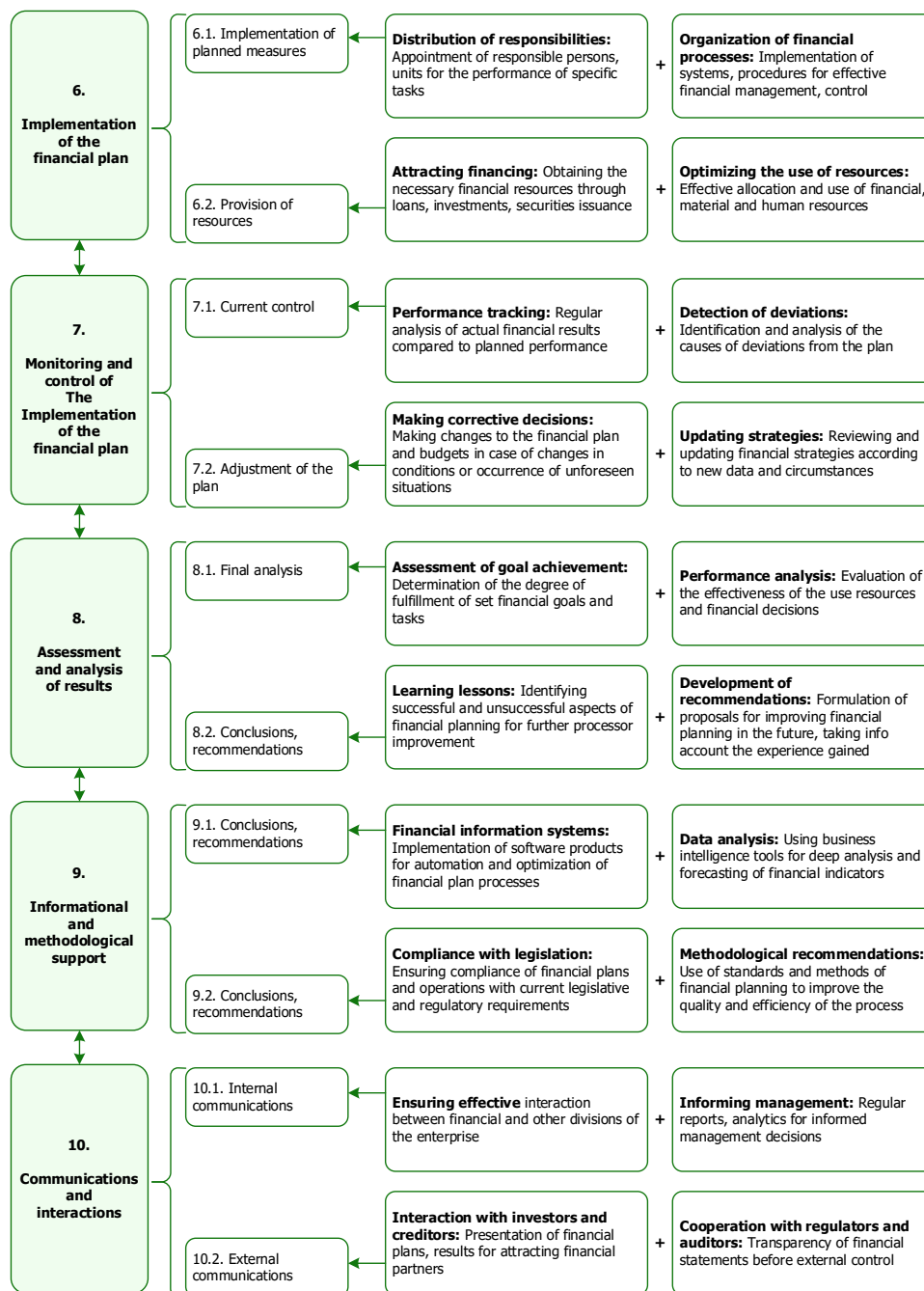


Figure 1. Components of the financial planning mechanism.

Each of these components of the general mechanism of financial planning is not independent and separate from the others. And the dependence of the final result of the indicator of economic activity of the enterprise depends on a number of influencing factors (Figure 2).

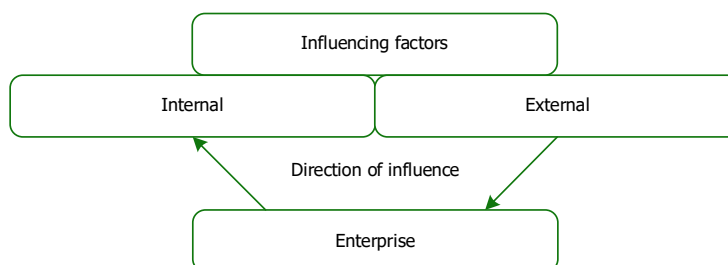


Figure 2. Interrelationship of influencing factors.

And, if the enterprise can influence internal factors by establishing its regulations, analyzing and correcting financial errors, raising the professional level of personnel, etc., then the enterprise can influence external factors only by the totality of general indicators of the activity of the entire business community for a certain period of time, when the main a regulator, such as a state, after analyzing these indicators, decides to make changes in the form of benefits or fiscalization. However, external factors have a direct regulatory influence on the activities of economic entities, and these are not only internal decisions of the state as an entity but also challenges of the external market, external crises, and political, military, and social factors that have an international scale. The dynamics of the stability of enterprises in the market of Ukraine for the period 2020-2024 were significantly influential due to various economic, political and social factors. Its main aspects are as follows (Table 1).

Table 1. Characteristics of external influences.				
No.	External event	Characteristic	Destructive	Opportuneness
1	COVID-19 pandemic	During 2020-2021, it led to a sharp decline in activity due to the stagnation of those enterprises whose assets were not sufficient to sustain life for such a long time	There was a significant reduction in business activity, especially in areas such as retail trade, tourism, transport and services. Many enterprises reduced the scope of their activities, temporarily stopped them or were liquidated	Adaptation and digitalization have helped many businesses quickly switch to remote work and implement online sales digital services, which has helped some of them remain stable or even grow in crisis conditions
2	Military aggression of the Russian Federation	The period from 2022 to the present	Loss of assets and markets, production capacity, logistics chains were disrupted, domestic market narrowed, business migration required additional financing	Relocation of business to the western regions of Ukraine or abroad, which allowed them to continue their activities, but it also required significant investments and adaptation to new conditions, partnerships, receiving international assistance, financial benefits

These events caused financial instability in the domestic market of Ukraine as inflationary and devaluation processes increased, which affected the cost of products, costs of raw materials and logistics, which, in turn, complicated financial planning and business stability, and the growth of interest rates and limited access to lending forced enterprises to look for alternative sources of financing or to optimize operating costs. Thus, the current mechanism of financial planning requires rapid changes, revision of approaches, sources of funding, etc. Likewise, these external events affected changes in the market structure, but these changes had a certain potential for opportunities for business entities. First, competition decreased, which enabled a certain chain of enterprises to strengthen their positions, gain access to temporarily vacant market niches, etc. Secondly, all this contributed to the emergence of new opportunities and their mastery: new business models appeared, a focus on digitization took place, remote services became not an additional advantage, but the main one, a reformatting of logistics took place, orders for the defence industry increased, as a result, which they received significant development and were able to remain stable, and eventually expand. Due to the adaptation period, flexibility and previous effective financial policy, many enterprises were able to transform their business, resume their activities, define strategic goals and adapt to the mechanics of implementing financial planning in new conditions. This was effectively facilitated by the government's anti-crisis measures, temporary tax and interest relief, business support programs, and a reorientation towards exports and expansion to EU countries, which helped compensate for losses in the domestic market. Attracting international aid and investment contributed to the development of recovery programs, which became the foundation for increasing the stability of enterprises in the future. Highlighting the issues of effective implementation of the latest methods, tools, and innovative, non-traditional methods in financial planning is currently necessary, especially in the context of rapid changes in the economic environment, the growing importance of digital technologies and globalization. Businesses learn to integrate novelty into their plans from their own experience. Based on their indicators and achievements, the state develops methodological tools. Scientists are also actively researching the application of innovations in the mechanism of financial planning. This topic is extremely important for the study, analysis and development of predictive models for the integration of new experiences into traditional models of financial planning.

Various economic and financial formulas are used to check the effectiveness of the financial planning mechanism. Financial ratios help assess how well an organization implements its financial strategies and achieves its goals. Here are some key indicators that may be relevant for understanding the effectiveness of financial planning implementation:

1. Current Ratio;
2. Quick Ratio;
3. Cash Ratio.

The current ratio is an important indicator that reflects the company's ability to meet its short-term obligations in a timely manner and is the basis of the company's long-term development plans. In Ukraine, the dynamics of this ratio over the past five to seven years have undergone significant fluctuations under the influence of several key factors, which are outlined and described below as a characteristic of the influence of external events on the indicators and elements of the financial planning mechanism:

1. Internal political instability and external military events took place during 2014-2015. This period was characterized by high political uncertainty and economic instability, a change in legislation, an increase in utility tariffs, and an increase in fiscal pressure. Its impact on the liquidity indicator had the following consequences: the current ratio for many enterprises could decrease to 80-90%. In almost all sectors of the economy, enterprises ended the year with negative financial results (except for agricultural enterprises and the field of education). Losses reached 40.1% of all enterprises. This period affected the planning mechanism as follows: the transition from the financial planning model and the redistribution of financial results between divisions to the process-oriented model took place.
2. The period before the COVID-19 pandemic during 2016-2019 was characterized by the fact that the Ukrainian economy demonstrated a gradual recovery, the restoration of the banking system and a decrease in interest rates of GDP growth, an increase in exports and a stable exchange rate contributed to the improvement of the financial condition of enterprises. This had the following effect on the liquidity indicator: until 2019, the average indicator of the current liquidity of enterprises could fluctuate between 100-120%, thanks to the implementation of the NBU's liquidity requirements, such as the liquidity coverage ratio (LCR). The mechanism of financial planning was affected by this period as it developed additional resources and accelerated the turnover of assets and capital.
3. The period of the COVID-19 Pandemic in 2020-2021 is characterized by quarantine measures, which led to a significant reduction in income, especially in the sectors of retail trade, transport, hotel and restaurant business; the growth of receivables caused problems in the fulfilment of short-term obligations. Therefore, its influence on the liquidity indicator caused a change in consumer patterns, the transition to telecommuting, and the need for new approaches to risk management affected the current liquidity curve, and the indicator was a maximum of 0.92 in relation to the standard minimum of 1. At this time, the financial planning mechanism is undergoing active implementation of new technologies and digitalization, which change its internal processes.
4. The period from 2022 to the present, under the influence of the events of the full-scale invasion of the Russian Federation, is characterized by the loss of access to its assets, sales markets, logistics chains and the growth of costs for evacuation, business relocation, increased energy costs and other factors led to the depletion of liquid reserves. In 2022, the average current liquidity ratio of Ukrainian enterprises was 0.665. This is an indicator that reflects the ability of companies to cover their current liabilities at the expense of current assets, and it was lower than the standard minimum of 1. At this time, the mechanism of financial planning at enterprises is undergoing the application of a risk-oriented mechanism and changes in approaches to accounting for assets and liabilities compared to local standards.
5. The period of 2023 should be highlighted separately, in which active international financial support and reformatting of business conditions took place. Adaptation to the conditions and reconfiguration of business processes, grants, international aid, and legally defined state support took place. Thanks to the efforts of the NBU and international support, some enterprises were able to maintain their liquidity at the level of about 90-100% compared to the pre-war level. International financing and domestic tax benefits were, for the most part, targeted in nature and ensured the reorientation of enterprises to comply with new conditions, in particular investment and "green" ones, and these elements were reflected in the financial planning mechanism of a certain number of Ukrainian enterprises.
6. The beginning of 2024 is characterized by constant changes, characterized by the fact that Ukraine is gradually adapting its standards and approaches to European ones, which, in the long run, will reduce differences in accounting, taxes, and coefficients. New definitions of the terms production, wholesale and retail trade, storage, places of production, place of wholesale and retail trade, and place of fuel storage are introduced (using the example of the new version of Law No. 3817). According to the forecast data of the Ministry of Economy of Ukraine, it is expected that the liquidity of Ukrainian enterprises will be restored, and the year will end at level 1. The financiers of the companies are preparing for the introduction of new articles in the financial plans, which are related to the requirements of the law. Most of the provisions of non-financial reporting and new standards in IFRS are introduced in 2025, so not only the financial planning for 2025 should take them into account, but also the plans for 2024 should take into account these features "in advance" and be revised.

The data of the State Statistics Service of Ukraine regarding the performance indicators of business entities, which are grouped by special aggregations provided for in Regulation (EU) No. 2020/1197 of 30.07.2020 regarding the structural statistics of enterprises in 2010–2022 and 2023, confirm the theses stated in the article. The following data, summarized by the author, are based on analytical reports and statistical studies of the State Statistics Service of Ukraine, which regularly publishes information on the financial indicators of enterprises. Liquidity of Ukrainian enterprises in 2020–2023 experienced significant fluctuations according to the following trends:

1. 2020:

- Under the influence of the pandemic, many enterprises faced a decrease in liquidity. This has forced companies to focus on cash flow management and finding credit lines to maintain financial stability.
- The average ratio of current liquidity CR (current ratio) at that time was 1.1–1.3, which meant the minimum possibility of covering short-term liabilities with assets. The formula was used to calculate it:

$$CR = \frac{\text{current assets}}{\text{short-term liabilities}}$$

2. 2021:

- The partial recovery of economic activity after the pandemic led to an improvement in the financial situation of enterprises. Liquidity ratios increased to 1.5–1.7 times year-on-year in most industries, although some industries, such as tourism and retail, remained in a difficult position.

3. 2022:

- The full-scale war significantly reduced the liquidity of enterprises, especially in the east and south of Ukraine. Enterprises moved to safer regions, which required significant financial resources.
- The current ratio fell again to 1.1–1.3, compared to 2021, as businesses spent reserves to support operations and relocations.

4. 2023:

- In the conditions of prolonged war and inflation, the average level of liquidity continues to be at a low level, although some companies have stabilized thanks to international aid and loans.
- The quick ratio varies between 0.9 and 1.2, which indicates difficulties in quickly covering obligations.

In view of the above, there is a general decrease in liquidity during the period 2020–2024, but the year 2023 provided an opportunity to apply stabilization actions that contributed to stopping the growth of this ratio. The instability of the political and economic conditions of the country limits the possibilities of enterprises to increase liquidity, but entering the EU markets and attracting international and domestic financial aid, tax preferences provide an opportunity for a certain stratum of enterprises to stabilize their own position and thereby influence the general state of the market. In order to receive investments from foreign partners, internal additional financing, tax advantages, and international contracts, enterprises had to comply with a certain number of conditions, including expenses for them in their financial plans and providing a mechanism for implementation. These requirements for enterprises were as follows: transparency, application in Ukraine of international reporting according to IFRS standards, social responsibility, and environmental friendliness (Table 2).

Table 2. Characteristics of requirements for enterprises.

Dimension	Components of dimension	Characteristics
Ecological dimension	Energy saving	Transition to renewable energy sources, modernization of production facilities and reduction of greenhouse gas emissions
	Waste disposal	Implementation of a waste management system that contributes to reducing their negative impact on the environment
	Reduction of emissions	Reduction of emissions of harmful substances due to the modernization of treatment facilities
Social dimension	Social responsibility	Through the support of local communities, the development of social programs, and the provision of safe working conditions. Payment of salaries in "white"
	Equality and inclusion	Implementation of equal opportunity policies, including gender equality and inclusion of representatives of different social groups
	Education and staff development	Investments in the professional development of employees are growing, which contributes to the improvement of qualifications and the involvement of personnel in innovation processes

(continued on next page)

Table 2. Continued.

Dimension	Components of dimension	Characteristics
Economic dimension	Innovation and development	Helping to increase their competitiveness. In particular, in 2022, the share of innovatively active enterprises was about 16%
	Financial stability	Focus on long-term financial sustainability, which includes responsible management of resources and risk reduction
	Support of local suppliers	Support for local manufacturers and suppliers, which contributes to the development of the regional economy

As is seen, these factors are not purely economic categories, but their implementation or compliance in one's activity is directly related to the attraction of additional investments and financial benefits, directly affecting the results of the enterprise. In particular, IFRS taxometry has influenced financial planning by improving the quality of financial information, standardizing reporting and facilitating financial data automation processes through:

1. *Data standardization* – a single structure for submitting financial reports facilitates their analysis and comparison, financial indicators are formulated more clearly, which improves transparency and management of financial processes.
2. *Automation* – the use of the XBRL (Xtensible Business Reporting Language) electronic format allows to automate the process of collecting and submitting financial statements, reduces the risk of errors and simplifies financial planning, as data becomes more accessible for real-time analysis.
3. *Increasing compliance with standards* – enterprises using the taxonomy are forced to comply with international standards, which simplifies cooperation with foreign investors and financial institutions and is important for long-term financial planning.

All this ensures the company's place in the market and sustainability of development. Statistics of the sustainable development of enterprises in Ukraine cover a wide range of indicators that reflect the environmental, social and economic aspects of their activities. Since sustainable development is a complex concept, statistics can include indicators from different areas, such as the implementation of environmental standards, social responsibility, energy conservation and innovation. In recent years, sustainable development has become important for Ukrainian enterprises, especially under the influence of European integration processes and growing demands for environmental and social standards. Ukrainian companies increasingly integrate these principles into their business strategies, which contributes to increasing their efficiency and reputation in the international arena. It is these criteria that are the external influential factors and requirements that are implemented in the current legislation of Ukraine and are already mandatory, which means that they must be reflected in financial planning. For this, as well as to ensure sustainable growth, it is necessary to continue to improve regulatory conditions, raise the level of awareness and support innovations and investments in ensuring implementation and development.

The calculation of the sustainability assessment of the enterprise development can be determined through the coefficient of stability of its financial condition in the dynamic changing conditions of the market environment, for example, through the formula of the DuPont model ROE (Return on Equity, aka POC (profitability of own capital)), which is also an indicator of profitability. This formula is useful for analyzing the impact of changes in sales profitability, asset turnover and capital structure on the financial stability of the enterprise in conditions of fluctuations in market conditions.

$$ROE = \frac{\text{net profit}}{\text{own capital}} = \frac{\text{net profit}}{\text{revenue}} \times \frac{\text{revenue}}{\text{assets}} \times \frac{\text{assets}}{\text{own capital}}$$

Likewise, the application of a dynamic model of bankruptcy potential will be effective. Using this formula, it is possible to calculate the optimal values of indicators showing the level of risk. The smaller it is, the more stable the company's financial condition is, and the more reason to assert the sustainability of development.

$$Y = + \sum_{i=1}^n a_0 + a_i K_i$$

where: *Y* - integral indicator; *a_i*, *i* = 0; *n* - coefficient of a certain branch of the economy; *K_i*, *i* = 1; *n* - enterprise indicators affecting financial stability.

Despite positive trends, the sustainable development of enterprises in Ukraine faces a number of challenges, such as:

1. Insufficient financing: high initial investments in sustainable development may not be available for small and medium-sized enterprises;
2. Regulatory barriers: the existing legal framework does not always facilitate the active implementation of the principles of sustainable development;
3. Low awareness: not all enterprises are aware of the importance of sustainable development or do not have enough knowledge to implement it;
4. Differences in the legal field of Ukraine and the EU, which lead to procedural complications and significant changes in local regulations, when implementing EU acts into the domestic legislation of the country.

The mechanism of financial planning in Ukraine and the European Union (EU) has both common features and significant differences. They are determined by various economic conditions, the level of development of financial markets, the regulatory environment and general principles of economic management. The main differences between them directly affect the formation of articles of financial planning elements and the mechanism of their provision (Table 3).

Table 3. Differences between the regulatory and legal fields of Ukraine and the EU, which regulate the financial and economic activities of enterprises.

1. Regulatory environment and regulatory framework		
Ukraine	In the process of development	Inconsistency of regulations
EU	Harmonized standards	Stability of regulations
2. Development of financial markets		
Ukraine	Young financial market	High level of risk
EU	Developed financial markets	Access to financial resources
3. Corporate governance and financial transparency		
Ukraine	Low level of corporate management	Problems with transparency
EU	High level of corporate management	Financial transparency
4. Tax environment		
Ukraine	High tax uncertainty	High tax burden
EU	Stable tax system	Tax benefits
5. Financial culture and institutions		
Ukraine	Low level of financial culture	Insufficiently developed institutions
EU	High level of financial culture	Strong institutions

Based on the above, it is possible to conclude that the events of the period studied in the article had a significant impact on the mechanism of financial planning in Ukraine; it underwent significant changes due to both internal and external factors. What exactly this influence led to and what exactly underwent changes is shown in the table below (Table 4).

Table 4. Consequences of the impact of events in the external environment on the elements of the financial planning mechanism.

No.	Event	Influence	Expression	Reflection in the mechanism of financial planning
1	Full-scale Russian invasion of Ukraine	Negative consequences	Uncertainty and risks	Focus on short-term financial goals and risk management
		Induced	Business adaptation	Change in strategy, including diversification of sources of income, search for new markets, implementation of anti-crisis measures: cost reduction and optimization of operational activities
			State support	Donor programs, compensations, tax holidays, etc. require a reorientation towards the transparency and legality of doing business, the inclusion of actions that provide the necessary indicators for a certain state program
2	Inflation and currency instability	Negative consequences	High inflation	investing in real estate, gold, cryptocurrencies or other assets that can protect against loss of value
			Fluctuations in the hryvnia exchange rate	review currency risks in their financial plans, including more active use of hedging and currency reserves
3	Digitization and innovation	Induced	Development of the fintech sector	Change in cost items: implementation of automation of financial advisors for financial management, use of online banking, mobile applications for financial management, platforms for investments and payments
			Robo-advisors	
4	Increasing attention to ESG factors	Induced	Interest in sustainable development	Reformatting on management factors (ESG) in their financial decisions,
		Negative	Expensive implementation of technologies	Long-term inclusion, demand for new investment products and financial strategies focused on long-term sustainability
5	Changes in legislation	Negative	Tax reforms	Contributes to the adjustment of financial plans in view of additional costs
			Induced	Tax reforms
		Induced	Digitization of public services	The introduction of new digital services, such as "Diiia", simplifies many aspects of financial planning, prevents costs and has the effect of saving time

As it is possible to see, financial planning in Ukraine has become more adaptive to challenges and uncertainties, with an emphasis on short-term goals, risk management, digitalization and sustainable development. Therefore, such new approaches and models of the financial planning mechanism are beginning to appear, integrate and finally be implemented (Table 5).

Table 5. Innovative elements reflected in the mechanism of financial planning.

No.	Innovative element	What is it?	Reflection in the mechanism of financial planning
1	Life Cycle Model	Takes into account different stages of a person's life (youth, middle age, retirement age) and builds financial plans accordingly	Planning must be adapted to these changes
2	Out-of-box decisions	Employees must be able to make decisions and act effectively in non-standard situations where normal rules do not apply	Expenses for personnel training are laid down as an investment, not an expense
3	Digital financial planners and platforms (Robo-advisors)	Digital platforms and applications for financial planning based on artificial intelligence provide variability, calculation and management through speed	Creation of intangible assets (NA), which can be considered not only as NA but also as a source of income
4	ESG integration (Environmental, Social, and Governance)	Investors increasingly pay attention to environmental, social and governance aspects when making financial decisions, which creates a demand for financial plans that take these factors into account	Integration of sustainable development factors into financial planning as a long-term option
5	Financial planning based on behavioural economics	takes into account the psychological aspects of financial decision-making, analyzing how emotions and cognitive biases can influence financial decisions	Cost items for outsourcing specialists or staffing as an attachment
6	Data-Driven Financial Planning	Using big data (BigData) to analyze financial trends and build personalized financial strategies	Creation of assets that can bring profits; Strategic investment
7	Scenario-Based Planning	Development of several alternative financial plans, taking into account various possible scenarios of the development of events.	Strategizing in changing conditions
8	"First the client, then the profit"	Forming the focus of attention on the human factor, building the client experience	An important factor for strategic calculations is the client who forms cash flow, demand, and loyalty

The financial planning mechanism combines strategic thinking and operational financial management, helping to achieve stability and growth. Over the past three years, the mechanism of financial planning in Ukraine has undergone significant changes in several key aspects (Table 6).

Table 6. Innovations that are constituent elements of the financial reporting mechanism.

No.	Aspects	Description of changes
1	Adaptation to new economic realities	Organizations began to focus more on scenario planning and risk management strategies to prepare for possible crisis situations
2	Digitization of financial planning	Financial technologies (FinTech) that help automate the processes of planning, financial management and data analysis. This includes the implementation of systems for managing corporate finances, electronic document flow and analytical tools for forecasting
3	New reporting and control requirements	Adaptation to European standards and new regulatory requirements, updating accounting rules and new reporting formats
4	Focus on risk management	Attention is paid to the management of financial risks, including currency risks, credit risks and liquidity risks
5	Integration of sustainable development	Environmental and social responsibility (ESG) is taken into account in financial planning
6	Budgeting flexibility	Regular review and adjustment of budgets in response to changes in market conditions
7	Advanced data analysis	Implementation of tools for advanced analysis and visualization and provide a more detailed understanding of the company's financial condition

These changes reflect the adaptation of enterprises to new conditions and challenges arising as a result of global events and technological development, and demonstrate the desire to improve the efficiency and sustainability of financial planning. It is difficult to determine the exact percentage impact of each factor on the novelty of the financial planning mechanism in Ukraine without specific research or analytical data.

Therefore, these calculations were applied:

I. Model of dependence (through regression analysis and econometric model) according to the formula:

$$Y = B_0 + B_1X_1 + B_2X_2 + \dots + B_nX_n + \varepsilon$$

where: Y – an indicator of the introduction of new adaptive elements of financial planning; X_1, X_2, X_n – external factors, certain events; B_0, B_1, B_2, B_n – coefficients of influence of these factors (estimated using statistical methods, in particular the method of least squares, which allows to determine how intensively each of the external factors affects the introduction of new elements of the financial planning mechanism; ε – model error;

II. The company's sensitivity to changes (Shows how much this or that external factor changes the result through the adaptability formula):

E = adaptability;

% Y – percentage change in the adaptive element's indicator;

% X – percentage influence of an external factor.

The results of the assessment, based on the general trends of changes and the influence of these factors, are given below (Table 7).

Table 7. Consequences of the impact of events in the external environment on the elements of the financial reporting mechanism. Note: Calculation of the impact of external factors on the business environment by comparing the financial result before taxation for the financial year before and after a certain event.

No.	Event	Percentage of influence	Characteristics
1	Economic and political instability	79.5%	Significant impact on the business environment, the need to adapt to rapidly changing conditions in order to survive in the market
2	COVID-19 pandemic	78 %	Great impact due to the need to quickly adapt to new economic realities, changing consumer patterns and the need for new approaches to risk management
3	Military aggression of the Russian Federation	79.5%	Critical impact in the first year: the business environment needed to provide conditions for survival in the market
4	Digitization and technological innovation	14.8%	The introduction of new technologies changes the processes of financial planning
5	Changes in legislation and regulatory requirements	50%	Changes in the regulations are important; they cause a reassessment of financial planning articles and a change in the mechanics of priorities
6	Integration of the principles of sustainable development	75.9 %	Influences strategic planning but is not always the main factor in short-term adaptation
7	Globalization and international competition	44.94%	Depending on the specifics of the industry and international business expansion

These estimates are calculated on the basis of official data from the State Statistical Service of Ukraine and may vary depending on the specific situation of the enterprise and the economic sector. Economic and political instability, which determines the need for operational adaptation and revision of financial planning strategies, probably has the greatest impact in terms of percentages. The elements of the financial planning mechanism are closely interconnected and build a general strategy, and due to the quality of the established mechanism, they ensure the efficiency of the company's financial management. These elements of the financial planning mechanism interact with each other, creating a holistic financial management system that ensures the achievement of the company's financial goals, maintains efficiency and ensures stability. The table below shows the actual possibility of achieving the financial goals of enterprises through the categories of profit and loss, with a comparative analysis of 2023 – the first quarter of 2024 (Figure 3).

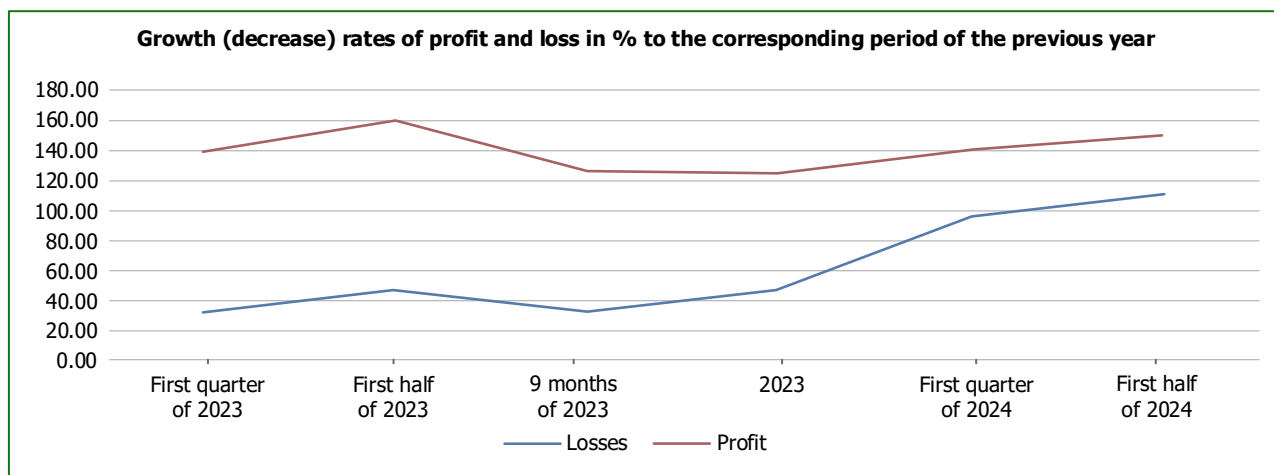


Figure 3. Rates of growth (decrease) in profit and loss by year, %. (Source: compiled by the author based on data [1])

The dynamics of growth can only be due to high-quality planning, timely response to current changes in the market environment, the selection of those new tools for the financial planning mechanism that is most suitable for this enterprise and the complexity of the interrelationships of all its elements is observed at the current time (Figure 4).

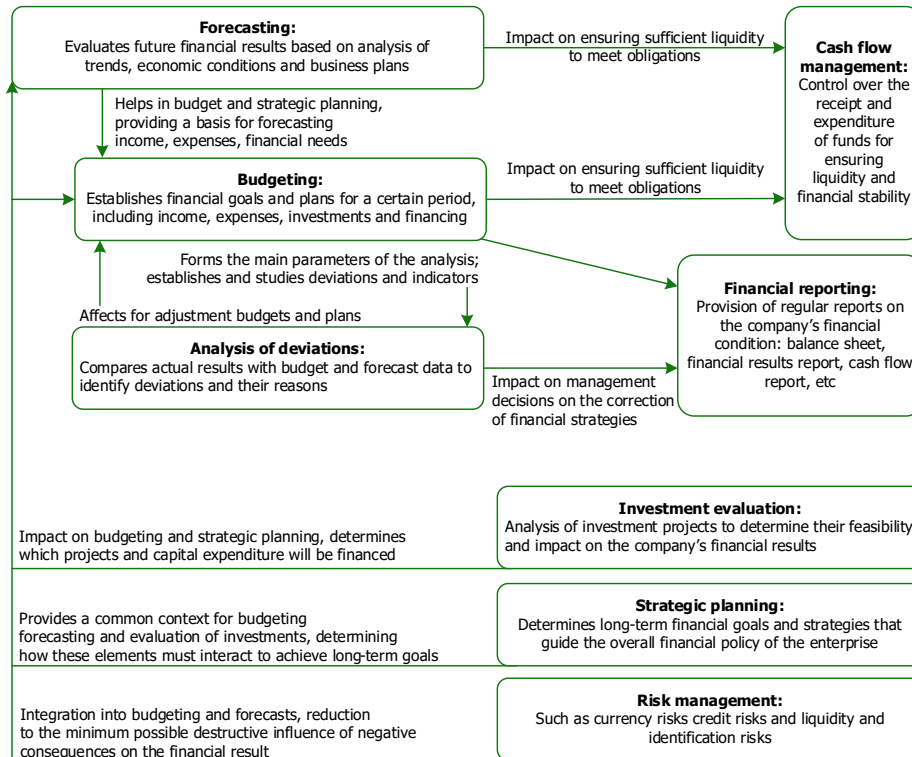


Figure 4. Interrelationships and direct influence between elements of financial planning.

At all stages of interaction in the implementation of the financial planning mechanism, the latest technologies of financial planning automation are already being used. Due to them, the company gains time. The speed of obtaining the necessary analytical or forecasted information. This provides an opportunity to turn freed time into an additional resource.

At the budgeting stage, strategies of sustainability, ESG, and client orientation are widely integrated.

At the forecasting stage, the latest mechanisms are used, such as Data-Driven Financial Planning, Scenario-Based Planning, and the variability of the "if-then" mechanism.

At the stage of financial reporting, reporting indicators according to international standards are widely used simultaneously with national ones.

Therefore, it is possible to talk about the growth of a conscious approach to the conduct of business by enterprises in Ukraine, which set themselves the goal of long-term functioning on the market and striving for stable or higher positions in it. Understanding the processes of financial planning, its timeliness, and its impact on all spheres of activity ensures constant development and meaningful connection of current decisions and investments with future results, which are also understood in a new way. That is, not a simultaneous result, but the basis, the financial and business foundation on which the forecast will be made, and later, on its basis, the budgeting of the financial plan for the next period will take place. Modern possibilities and a conscious approach eliminate the spontaneity of actions. Also, it can be seen that access to the information array of data and the ability to quickly calculate it gives an advantage in terms of time, the accuracy of choosing one or another action, the availability of studying alternative options for obtaining a result, forecasting and calculation of several options for the development of events at various stages of the implementation of the financial planning mechanism the "if-then" method, the freedom to choose admissible goals within the limits of the currently existing restrictions.

DISCUSSION

In this study, it was proposed to consider how external factors influence the change of the financial planning mechanism, how it is transformed under their influence, and how the view of entrepreneurs on understanding the essence of such a tool as a financial planning mechanism change.

If, in previous years, a correctly and fully drawn-up financial plan reflected the issue of budgeting and provided a map of the enterprise's activities for a certain period, the situation would have changed. Currently, it is a necessary requirement

to invest intellectually and technically in the financial plan itself in order for its implementation to cover all the essential points, to be able to identify the problem "up front" at various stages of implementation and to offer an alternative way of solving it in real-time. That is, the very approach to the financial plan as a toolkit is changing. Currently, the management staff serves the development of financial planning by providing it with all the essential data, forecast indicators, and variable elements and, in the future, contributes to the mechanism of its implementation with its competencies. It is possible to see it as a mutual influence, not just a management staff performance of a financial task. This is a significantly different view of the process of forming a quality financial planning mechanism. It is possible to believe that this topic is little disclosed in scientific research. Many works (Dzhereleyko, S., etc. 2024) are devoted to the choice of an innovative approach or to the assessment of the security of the enterprise's development. However, it aims to describe and analyze a certain component, and it is possible to see in this a systemic, holistic approach, where planning is inseparable from external policies, independent forecasts, internal competencies of employees, etc.

At this stage, it is possible to see that the definition of the main strategic directions of the enterprise is the primary stage of the formation of the financial planning mechanism. It is they who set the framework for making management decisions, determine the priorities for the use of resources, and direct the company's activities to achieve key goals. The definition of these directions involves a detailed assessment of the internal potential of the enterprise and the external environment, as well as a strategic analysis of opportunities and threats. The main directions are usually aimed at maintaining a stable position in the market and sustainability of development. Therefore, in our opinion, the main characteristic of a qualitative financial planning mechanism in conditions of uncertainty will be not only its adaptability, namely the speed of ensuring transformational processes. However, the majority of authors (Kondrat O.B. et al. 2024) pay attention to the description of the implementation of innovative technologies and the analysis of the economic result of their implementation.

External influences are the initiating events, through "shock therapy", to the introduction of a new life cycle of the enterprise. In a time of constant changes and "shock effects", its main components, such as the organizational structure, legal framework, procedures and processes, information systems, and personnel potential, constantly form dynamic relationships among themselves. And despite the general trends, such as, for example, digitalization, each enterprise will take into account specific factors inherent to it, taking into account the industry, the state of assets, the professional qualities of the management staff and their own views on understanding the political and economic environment. In this, it is possible to agree with the authors (Stetsyuk P.A. 2008) who point out the lack of clarity in the financial planning mechanism. At the end of the discussion perspective, it is advisable to pay attention to the fact that the uncertainty of the political and economic environment, which has been taking place for many years and has been intensified by the influence of military actions on the territory of Ukraine, has, in addition to the negative factor, the effect of the hyperdynamic environment. These are the conditions that directly contribute to a change of views, the acquisition of new skills, rapid changes in the implementation of modern methods of financial management, forces enterprises to determine strategic priorities and apply the most rational approach to resources, which guarantees an effective result in the future.

CONCLUSIONS

This article substantiates and proves on the basis of examples and statistical data that a new view of the financial planning mechanism is formed precisely as an independent resource of the enterprise, transforming it from a limited forecasting tool into a dynamic, integrated system of strategic resource management.

In the conditions of the modern political and economic environment of Ukraine, which is determined by a number of such critical factors as macroeconomic challenges, political instability, the need to take into account the requirements of transparency, social needs, etc. - the main task of financial planning is to develop, and its mechanism to implement the financial policy of entities entrepreneurship in Ukraine not only in ensuring its strategy on the market but also in ensuring the prerequisites for counteracting negative factors of external influence and the timeliness and quality of response to functional challenges. Currently, an urgent criterion for a quality financial planning mechanism is its anti-crisis nature. This understanding of the nature of financial planning provides an opportunity to focus on anti-crisis management processes even before a crisis occurs.

Another aspect is the speed of response to the possibility of changes. It is the possibility of predicted and unexpected risks and changes in the future since even the reaction to changes "in the moment" affects the speed of the operational context of the enterprise and its retention on the market "Olympus" as demanded by the point of view of customers and partners. In order for the enterprise to correctly react and take functional measures to problem situations, realistically assess existing or forecasted risks, etc., its personnel must be highly qualified, improve internal evaluation criteria, standards and regulations and have a real understanding of the potential of the enterprise itself as a separate unit and realistically determine its place in the general market plane.

Most enterprises responded to all these challenges by adapting their strategies, focusing on sustainable development, implementing innovative solutions, integrating systems for monitoring changes in the external environment for quick response, and finding their own formula by balancing flexibility and long-term stability. In spite of all the external crisis situations, Ukraine has potential and is realizing it qualitatively because, against the background of the decline in the level of the economy, political crises, military aggression, etc., it was able to secure a worthy competitive place in the global market environment, as it is possible to see from the indicators of the coefficients of their activity.

ADDITIONAL INFORMATION

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CONFLICT OF INTEREST

The Author declares that there is no conflict of interest.

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Кучин А.

УМОВИ ФОРМУВАННЯ НОВОГО ПОГЛЯДУ НА МЕХАНІЗМ ФІНАНСОВОГО ПЛАНУВАННЯ В СУЧАСНОМУ ПОЛІТИЧНО-ЕКОНОМІЧНОМУ СЕРЕДОВИЩІ УКРАЇНИ

У роботі за відкритими офіційними джерелами проаналізовані основні фактори фінансового планування, що зазнали змін під впливом обставин у діяльності підприємств. Виділено основні інструменти, які сприяють покращенню фінансових показників підприємства та підвищенню рівня збалансованого розвитку суб'єктів господарювання. Розглянуто, як забезпечуються фінансові джерела, за рахунок яких дій забезпечується послідовність здійснення й виконання планування, якими показниками й вимогами контролюється забезпечення виконання фінансових показників, необхідних для продовження забезпечення рентабельної діяльності підприємства.

Мета дослідження – систематизувати й узагальнити, як невизначеність зовнішнього середовища впливає на зміни в механізмі фінансового планування суб'єктів українського бізнесу і як змінюється погляд на розуміння суті фінансового планування для підприємства.

Основний результат дослідження полягає у виокремленні факторів, які впливають на фінансове планування підприємств, включають техніко-економічні, організаційно-управлінські, політико-правові та соціально-психологічні аспекти в поточному періоді зовнішньої нестабільності. У статті обґрунтовано, яким чином підприємства як складові внутрішнього й зовнішнього ринків реагують на такі виклики і які рішення ухвалюють при забезпеченні реалізації механізму фінансового планування загалом. Також акцентовано увагу на позитивному аспекті таких змін і висвітлено, як саме проявляються їхні функціональність і результативність для підприємств, зокрема як саме фінансове планування, що на сучасних підприємствах є ключовим елементом управління, покращує ефективність і раціональність користування фінансовими ресурсами та забезпечує стабільність і розвиток підприємства.

Ключові слова: механізм фінансового планування, новизна, новітні методи, фінансова стійкість, сталий розвиток, центри відповідальності, зовнішнє середовище, економетрична модель, захист економічних інтересів

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