

Ways to improve the financial condition of business in today's economy

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In the article the enterprise financial position as the essential characteristic of its work in a period that defines the real and the potential possibility of a company to provide an adequate level of funding of financial and economic activity and the ability to implement it effectively in the future.

It is well known that the main measures to improve the financial and economic situation are the increase in sales revenue. In turn, the volume of sales revenue depends on sales volume and price of product unit sold.

It is determined that the main task of assessing the financial situation of the company – it is in time to identify and eliminate weaknesses in financial activities, find solutions to improve the management of the company financial position and avoid its bankruptcy.

It is proved that the main way to improve the financial situation is to mobilize internal resources of the company. The attention is focused on finding reserves that can be used to improve the financial situation of the company that is held by a thorough evaluation of all components of its activities.

Functioning in a market economy as an entrepreneur, every enterprise has to provide such a state of its financial resources, at which it would consistently retain the ability to smoothly fulfil its financial obligations to its business partners, the state, owners, and employees. Obtaining in market conditions not imaginary, but real financial independence, taking responsibility for real economic efficiency and management for timely fulfil-

ment of financial obligations, companies are able to achieve their financial stability only in the case of strict observance of the principles of commercial calculation, the main among which is the comparison of costs and benefits, obtaining the maximum profit at the minimum cost. It is this condition that is crucial for the formation of financial position.

To improve the financial position of enterprises it is important to increase production volumes; improve productivity of employees; take as much market share; expand the product range and improve its quality; reduce costs of production; with maximum impact use all kinds of resources; competently build contractual relationships with suppliers and buyers; maintain a rational pricing policy.

To ensure satisfactory financial condition of each enterprise in the overall financial management it is necessary to ensure the development and implementation of the systems analysis and evaluation of the financial condition, adapted to the peculiarities of the enterprise market operation, objectives and strategies of its financial policy, financial mentality owners and others. The primary step in improving the financial situation of domestic enterprises in the current economic environment is the search for the optimum ratio of equity and debt, which would provide minimal financial risk for maximum return on equity. Businesses should systematically and thoroughly analyze the dynamics of financial position, and depending on which index has changed, they should make appropriate decisions.