FACTOR ANALYSIS OF RETURN ON EQUITY OF AN ENTERPRISE

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It is not enough to use the profit figures to assess the financial and economic activities of enterprises and the production efficiency of the entire production. Sum of the profit shows the absolute effect of the activity of enterprise without taking into account the use of resources, but profitability characterizes the measure of this efficiency, enables fuller assess the final results of the company's activities.

One of indicators that show the profitability of the enterprise is the return on equity.

The analysis focuses on factors that influence on the change in the level of return on equity. Factorial analysis helps to determine the influence of factors of return on equity. The article presents the stages of factor analysis, classification of factors by mathematical expression correlation.

The results of this analysis are considered on the example of multiplicative model of return on equity, which has been developed by "DuPont" company experts.

It is proved that the most common method in conducting factor analysis is the method of chain substitutions, which has certain disadvantages, and eliminates one's the method for identifying an isolated influence of factors.

This method allows to highlight the contribution of the interaction of the main factors (a synergistic effect), that is, as it known, in the method of direct chain substitutions joins to the contribution of all factors, in addition to the bulk factors. This fact is one of the major method's benefits to identify the isolated influence of factors compared to the method of chain substitutions in its traditional and reverse versions.

Noted that the application of the method to identify the isolated influence of factors helped to determine the cleansed impact on change in the level of return on equity by five considered factors evidence from the PJSC "Odeskabel", as well as identify the direction and quantify magnitude of their interaction's effect.

The research results have practical importance and can be used at enterprises.