

LOCAL CORPORATIONS MANAGEMENT: CURRENT STATE AND PROSPECTS

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Domestic enterprises nowadays operate in extremely difficult conditions of the transformational economy. During the years of economic reforms, corporate activity in the market associated with a number of considerable problems that appear due to the need of management in new conditions arising from the change of ownership. The company cannot rely on the confidence of investors and use various sources of external funding if it fails to take effective measures for the implementation of good corporate governance that lies primarily in creating a system of adequate protection of the rights of shareholders, reliable mechanisms of financial control, transparency, and openness own activities. Most experts believe that corporate governance cannot be seen as a simple set of legal and institutional norms and rules, within which operates some corporation, but as a complex system of social and economic relations, on the basis of which relations are formed as between all participants of a particular structure, and between

members and external contractors, which are subject to institutional regulations. Practical implementation of corporate governance functions led to the need for its level. Thus, in order to provide all financial market participants with relevant information on the implementation and application of corporate governance separate business entities, as well as for an objective assessment of the quality of corporate governance at the request of the companies, domestic rating agencies assess the level of corporate governance. Creation of an effective and efficient system of corporate governance of domestic enterprises requires appropriate conditions: operation of a safe legal environment, development of investment processes through market reforms in Ukraine, which, in turn, promote the development of corporation management, increase profitability of corporations, protecting the rights of all categories of shareholders, and create attractive and favourable conditions for attracting foreign investment in Ukraine.