

Impact on The Financial Results of The Business Activity of The Enterprise in The Service Sector

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ABSTRACT

Business activity is an economic activity specified in the form of the production of a particular product or the provision of a specific form of services, which is an important element in a market economy.

Introduction

The business activity of an enterprise is the ratio between the financial results of economic activity and the costs of material, labor and financial resources. Business activity depends on the economic effect, as well as on the costs of gross resources, the end result of which is this effect. Based on this, this suggests that the business activity of an enterprise is a relative value obtained as a result of comparing the effect with resource costs.

It is impossible to evaluate the activity of an enterprise, as well as economic efficiency, without the help of one indicator. However, the difficulties in their use lie in the fact that none of them is a universal indicator, by calculating which it would be possible to judge the positive success in the activities of the enterprise. Based on this, in practice, a system of indicators is always used, which is interconnected and is evaluated by the enterprise [3].

The system of indicators, based on market conditions, can be given in two ways:

- the first evaluation, characterizing the achieved or possible level of development of the results of a particular activity;
- the second cost, reflecting the level of costs for the implementation of different types of activities.

However, this classification is very conditional, it depends on the purpose of the assessment. Namely, the indicator of "production costs" in one case is considered as an estimate, which shows the level of labor costs obtained, and in the other case, when planning, it is defined as a cost indicator, which allows determining the amount of costs in the provision of services.

An important indicator in assessing the business activity of an enterprise is its impact on the financial results of a service sector enterprise, which is an effective management of working capital, including an indicator of the duration of the financial cycle.

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The operating cycle is the total time that financial resources are held in the inventory of receivables. Since the service sector enterprise pays the suppliers' bills during which the funds are withdrawn from circulation, that is, the financial cycle, is less for the period of accounts payable circulation. Shortening of the operating and financial cycle in dynamics is seen as a positive trend [2].

Of great importance in assessing the business activity of a service sector enterprise is also the assessment of the investment strategy. The main goal of the enterprise's investment strategy is to mobilize additional funds for the introduction of economic activities, the achievement of financial indicators that characterize the effective operation of the enterprise.

Sometimes, usually, at the same time, capital costs are taken into account in the discounted amount of costs for the implementation of the project, and operating costs are included in the cost of finished products and, accordingly, reduce the amount of net profit during the operation of the project.

Thus, the interaction of economic factors in the course of the production process, their frequent contradictory effect, on the financial results of the enterprise's activities, ways of using a system of analytical indicators are revealed, the relationship between which is expressed mathematically. By calculating these indicators, the attention of individual aspects of the enterprise's activities to its financial results is determined. At the same time, it is a crucial stage in assessing the effectiveness of the activities of a service sector enterprise and identifying the reasons that caused the deviation from the planned actions and changes in general indicators, as well as a quantitative assessment of the impact of these reasons on the indicators under consideration. In order to find out the causes of deviations and changes in the calculated indicators, the circle of interacting factors is determined and their grouping is carried out. Based on the assessment of the positive or negative impact of some factors, it is necessary to determine the unused opportunities for improving the calculated performance indicators of the service sector enterprise.

The introduction of new methods, updating the assessment of the economic information of the business activity of a service enterprise, by calculating various indicators of computer technology, allows it to be carried out according to a predetermined range of indicators every day, and for some of them even in a certain order. In turn, this allows you to quickly assess the achieved financial results and analyze their prospects for future periods.

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