

THE CURRENT ISSUE OF IMPLEMENTING INTERNATIONAL BUSINESS ANALYSIS STANDARDS IN UKRAINE**Author: Anna KOMAROVSKA, Alina RYBANIUK** bachelor**Scientific coordinator: YEVHEN IONIN**<https://orcid.org/0000-0002-2903-3143>

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Abstract. *In this article, we have touched upon the highly relevant topic of the importance of implementing international business analysis standards in Ukraine. This study analysed the prerequisites that led to the introduction of specific international standards, the standards that have been introduced since Ukraine's independence and in which areas they were primarily introduced, and the impact of various aspects of a particular standard on the future of business analysis in the country's financial sector.*

Key words: *IFRS, The Basel Accords, Stock market, SWOT analysis, International Standards Of Business Analysis, International Public Sector Accounting Standards*

JEL: M 00, M41, C81

Introduction

The purpose of this article is to discuss and determine the relevance of implementing international business analysis standards in Ukraine. It is aimed at analysing the current state and prospects of development of this area in order to improve the efficiency of management and competitiveness of Ukrainian companies in the international market.

After declaring its independence in 1991, Ukraine set a course for European integration. This choice determined the way forward for changes and reforms. One of the most important criteria was the introduction of international standards in society, including in the economy.

Main Part.

The implementation of international standards covers almost all areas of activity, which makes it possible to bring domestic practice closer to the global level. The practical implementation of this area is shown in Table 1.

Table 1. Practical implementation of international standards

| Sector of economy | International standards implemented/will be implemented |
|---------------------------------|---|
| Financial statements | International Financial Reporting Standards (IFRS) |
| Banking sector | ISO 20022, Basel Accords |
| Stock market | IOSCO, NSSMC Standards |
| Accounting in the public sector | 19 International Public Sector Accounting Standards (IPSAS) |
| Audit | International Standards on Auditing (ISA) |
| Business analysis | International Standards of Business Analysis |

The introduction of International Financial Reporting Standards was an important development. The objective of this standard is to ensure that an entity's first IFRS financial statements and its interim financial statements for part of the period covered by those financial statements contain high quality information.

Two international standards have been implemented in the banking sector: ISO20022 and the Basel Accords. The international standard ISO 20022 was approved in 2004. The methodology of this standard is used to build a formalised description of business processes and obtain formats and schemes for electronic messaging that ensure the implementation of business processes.

The Basel Accords are the standards that set the international framework for banking regulation. They

provide directions for reforming the standards for regulating the financial stability of banking institutions. The final set of standards in Ukraine was published by the Basel Committee on Banking Supervision in 2017.

Supervision in 2017. The stock market is a part of the capital market and a set of financial relations where securities are issued, bought and sold. Ukraine's stock markets adhere to the international IOSCO standards. The Principles represent an international consensus on sound prudential principles and methods of securities market regulation. Information on joint stock companies is collected on the website of the National Securities and Stock Market Commission. Since 26 September 1996, the National Securities and Stock Market Commission has been a permanent member and sole representative of Ukraine in the International Organisation of Securities Commissions (IOSCO), which gives it the right to vote during its regular meetings, and is a signatory.

This structure implements global standards for the functioning of the securities market, in particular, in terms of information disclosure, taking into account IOSCO recommendations. The website of the Stock Market Commission of Ukraine is accessible and easy to use.

International Public Sector Accounting Standards are intended to assist all levels of government in preparing financial statements on an accrual basis. In accordance with international practice, the public sector comprises national governments, local governments and related governmental organisations. Therefore, IPSASs are applicable to all public sector entities, except for state-owned commercial enterprises.

Auditing standards in Ukraine are implemented to ensure the quality and objectivity of companies' financial statements. They define the methods, procedures and requirements to be followed by the auditor during the audit. Auditing standards in Ukraine are established at the legislative level and are regulated by the Law of Ukraine "On Auditing". These standards are in line with international auditing standards and contribute to increasing confidence in the financial statements of companies.

In the system of international standards, the analytical area is covered by international business analysis standards, which are focused on creating a homogeneous and standardised framework for business practices. These standards are aimed at ensuring the quality and efficiency of business processes in all areas of activity, namely for industries focused on financial transactions, IT and trade. They are of a recommendatory nature. These standards were developed in 2017 by the International Institute of Business Analysis (IIBA).

The concept of business analysis is quite new in Ukraine. As Ukraine is still at the beginning of this process, it has urgent issues related to the implementation of international business analysis standards, namely awareness of the importance of business analysis, qualification of specialists, lack of standardised approaches, insufficient information base, and low integration of business analysis into business processes.

A characteristic feature of international business analysis standards is a logical sequence of information with in-depth comments on each section, with relevant conclusions and a glossary of terms, which allows for a clear understanding of the use of this document. The logical and structural diagram of international business analysis standards is shown in Table 2.

Table 2. Contents of International Business Analysis Standards

| Title | Contents |
|--|--|
| Foreword | Brief description of the standard |
| Main content | |
| 1. Understanding Business Analysis | Definition of business analysis and its importance |
| 2. Mindset for Effective Business Analysis | The way of thinking about business analysis, its importance and principles of implementation |
| 3. Performing Business Analysis. | Who conducts business analysis and service management and how |

| | |
|------------------------------|---|
| 4. Tasks and Knowledge Areas | A) Business Analysis Planning and monitoring B) Elicitation and Collaboration C) Requirements and Designs Life Cycle Management D) Strategy Analysis E) Requirements Analysis and Design Definition F) Solution Evaluation |
| 5. Summary | Description of business analysis as a discipline and practice |
| 6. Glossary and Key Terms | Key concepts and terms |

Of particular importance for the effectiveness of the analysis is the clear formulation of tasks, which makes it possible to predict the expected results in advance in terms of the effectiveness of justifying management decisions. Section 4, "Tasks And Knowledge Areas," is devoted to this area.

Among the international standards published by the International Institute of Business Analysis (IIBA), there are two main points that can solve these problems in the field of business analysis.

The first point is Business analysis planning and monitoring. This part deals with planning and monitoring of business analysis and includes the processes of creating strategies and plans for business analysis, as well as planning and monitoring the work of analytical processes. This provides a framework for systematic analysis of business processes to improve the efficiency and profitability of the company.

The second point is the strategy analysis, which should take into account the company's strategic guidelines based on possible resources and threats from the external environment, which is usually displayed in a SWOT analysis matrix. This analysis is important from the moment the business need is identified, as it provides the context for analysing the requirements and defining the design for change. In this process, experts define the scope of the solution, the needs and their prioritisation, and examine the potential value of the solution. In addition, they consider the context of the enterprise when developing the change strategy, define the future state, and develop a change strategy to achieve that state in collaboration with stakeholders.

Conclusion

Thus, one of the key conclusions of the report is that the implementation of international business analysis standards is a necessary step to unify approaches to business valuation and increase its competitiveness at the international level. The standards allow Ukrainian companies to ensure high quality financial reporting and investor confidence, which is a key factor in attracting investment and business development. The introduction of international business analysis standards makes it possible to increase the effectiveness of not only International Financial Reporting Standards (IFRS) but also International Standards on Auditing (ISA). This is especially important in the period after the country's military recovery.

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