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ACCOUNTING AND ANALYTICAL SUPPORT FOR CORPORATE STRATEGES IN INTERNATIONAL BUSINESS

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***Abstract* — The existence and development of international companies are impossible without rational strategy management decisions. Accounting and analytical support of international strategy management allows the formation of the information base of strategy development and enhancement by providing qualitive information about changes in the external and internal environment of international markets.**

***Key Terms* - Accounting, analysis, international business, corporate management**

Corporate strategy is the subject of growing scientific interest in the academic community and attention of practitioners in modern business environment. From the academic point of view it was the subject of investigations of R. Rumelt and D. J. Teece [7], A. Chandler [3], E. Feldman [4] and others [2, 5, 6].

Comprehensive strategy is one of the important features of modern international corporations. The current international practice of corporate governance is influenced by rapid internal and external changes, which undoubtedly affects the quality and stability of the development and implementation of corporate strategy. Strategic decisions are crucial for doing business and, if implemented, have long-term and irreversible consequences. This means that the implementation of strategic decisions changes the potential of international corporations, and even if it is possible to return to the previous state of the managed asset, it requires significant investment of time, resources and efforts.

Most strategic management researchers focus on progressive organizations, such as large corporations [2]. Such organizations are mainly focused on development, rather than growth and competition, which depend on the choice of strategic behavior. This encourages development of effective strategic management systems aimed at implementing an overall corporate strategy.

According to A. Chandler [3] corporate strategy is defined as the process by which a diversified company approves the principles of its activities in various industries, as well as activities and approaches aimed at improving the company's performance. R. Lynch [6] uses corporate strategy in two approaches: firstly, as an instrument to strengthen competitive advantage and to increase the value of business, and secondly, to describe the activities of senior management.

I. Ansoff, the founder of the theory of strategic planning, defines corporate strategy as a complex relationship between portfolio and competitive strategies and their components [1]. I. Ansoff emphasizes that the portfolio strategy is related to a group of the main activities of the company, while the competitive strategy is related to operational problems in certain areas.

R. Lynch [6] argues that a corporate strategy is a set of key goals, directions, key plans or policies to achieve them, set to determine in which business the company operates or intends to operate, and what type of company it is or intends to become future. When considering actions, each organization must manage its strategies in the following three areas: the organization's internal resources, the external environment, and its ability to create value.

The study of modern research makes it possible to consider corporate strategy as:

a strategy that describes the general direction of growth of the enterprise, the development of its production and marketing activities, ie a strategy that defines how to manage different types of business to balance the portfolio of goods and services;

a comprehensive plan for future, that determines in the long run the direction and scope of the company in their industries and markets, aims to survive at least and create significant added value at most;

complex and flexible system of numerous relations, capable of including various market, organizational, technological and other changes;

the way a company creates value by shaping and coordinating its actions in different markets.

Management information in the field of corporate strategy, according to E. Feldman [4], is poorly structured, so decisions made on its basis can lead to unexpected results. While developing the theoretical foundations of strategic management E. Feldman [4] proposes to distinguish between internal, inter-organizational and non-organizational management decisions (Table 1).

Table 1

Management decisions in corporate strategic management

Type of management decision	Scope of solution implementation
Internal organizational management decisions	Coordination of material, financial, labor and information resources of the corporation
Inter-organizational management decisions	Coordination of the corporation's relations with other market participants
Non-organizational management decisions	Definition of business processes that fall within the scope of the corporation

The internal organizational plane includes management decisions on the strategy of using resources (including strategic resources) to achieve the goals of the corporation; the inter-organizational plane includes management decisions on technologies of accumulation of experience of corporate decision-making of strategic decisions, incl. operations of purchase and sale of controlling stakes in companies. The non-organizational plane includes management decisions on the fundamental update of the configuration of resources and business opportunities by creating flexible alliance business structures. In this case, strategic resources are resources that are strategically important for gaining competitive advantage, while the stable competitive advantage of the company is determined by internal resources and its competitive position in the industry.

Management decisions in the process of development, implementation and development of corporate strategy, as evidenced by D. J. Teece [7], should be based on the results of continuous monitoring of changes in internal and external environment by strategic parameters in areas of value creation and consumption.

An effective corporate strategy is presented as an integrated system in which the main elements are consistent with each other. An effective corporate strategy is an orderly set consisting of five elements: vision, resources, goals and objectives, businesses and organization, which all together, like a system, lead to the formulation of an advantage that further creates economic value. To achieve the maximum effect, all elements must depend on and support each other and work in harmony. Types of corporate strategies of global companies are presented in table 2.

Table 2

Corporate strategies of global activity

Criteria for classification of strategies	Varieties of corporation strategies
The method of formation of corporations	Transnationality strategy, multinational strategy
The purpose of establishing branches	Production strategy, sales strategy, production and sales strategy
Dynamics of development	Strategy of forced development, deferred development strategy
Orientation of development	Strategy of consistent development, Strategy of simultaneous development, Strategy for optimizing the set of directions for competitive development
Interaction with the state	Strategy of constructive interaction, control strategy, conquest strategy
Share of the state in the "chain" of the corporation	Strategy of founding national corporation, strategy to encourage foreign corporations

Global companies are companies that produce goods and services based on monopolistic or oligopolistic position with share of 80 % and more of the world market, the international nature of the organization of production, development and marketing of products with integrated management and the nature of the property, not allowing to assign them to any national economy. Global companies build and plan their activities, initially considering the world economy as a single market. The basis for the emergence and development of global companies is direct investment. For their successful functioning, a global intra - corporate market and a system of constant exchange of information are necessary.

Accounting and analytical provision, as part of the management system of global companies is based on a clear combination of accounting and analytical operations. The basis of accounting and analytical support is the data of operational, statistical, financial and management accounting, as well as production, commercial, financial information about changes in the internal and external environment. The combination of accounting and other information should provide high quality and control, and therefore increase the efficiency of international strategy management (ISM) decisions. Constant unpredictable changes in the external environment increase the requirements for accounting and analytical support ISM, in particular through the deepening of relationships with other information management systems. A partial solution to this problem is provided by the rapid growth of capabilities and improvement of technical and technological characteristics of modern information processing tools and software for the collection, processing and transmission of large amounts of data. At the same time, the problem is not only the receipt and transmission of the necessary information, but also the restriction nonrelevant for ISM information. Excessive, low-quality, untimely and unreliable information not only overloads information channels, requires additional costs for its verification and processing, but also increases the risk of making erroneous ISM decisions. There is no doubt that one of the basic principles of information support is various sources of information and its verification. Thus, it is not the machine processing of the database, but only the competence of the employees of the ISM department that makes it possible to select from the data set those that should become the information base for the development and adoption of ISM decisions. Generalized and verified information is subject to analysis by applying analytical and economic-mathematical methods to study the dynamics, structure, relationship between phenomena and processes. The result of the operation of accounting and analytical support of international strategy management are reports certificates and source information, which is the basis for decision-making and control over the implementation of complex tasks of development and implementation corporate strategies of global companies.

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