УДК 330.332
https://doi.org/10.32342/2074-5354-2024-2-61-10

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EVALUATION OF FINANCIAL INDICATORS OF AN ENTERPRISE AS AN ELEMENT OF ECONOMIC SECURITY

In modern times, economic security stands as one of the primary strategic objectives for any state. However, achieving economic security is unattainable without the stable operation of enterprises. Amidst a constantly evolving external environment, the economic security of enterprises becomes a prerequisite for their survival. To this end, evaluating the financial indicators of enterprises and identifying areas for improvement are imperative. The state of an enterprise's financial indicators is traditionally regarded as the primary factor ensuring its economic security, as these indicators reflect the ultimate outcome of its operations. To analyze the financial indicators of an enterprise effectively, it is essential to establish evaluation criteria and parameters. The significance of accurately defining criteria for evaluating the financial indicators of a company primarily stems from the necessity to ensure its security and formulate and execute effective management decisions.

Relevance of the topic. Today, enterprises operate amidst various uncertainties such as crises, pandemics, inflationary processes, and price fluctuations observed worldwide. In such conditions, enterprises are compelled to operate efficiently, compete for market influence and income, accurately assess and enhance financial indicators, and identify, analyze, and neutralize negative effects that may threaten economic security. Conversely, enterprises should promptly analyze their financial indicators to develop a set of measures aimed at bolstering their competitive positions and enhancing the efficiency of their operations. These aspects underscore the relevance of the article's topic.

The purpose of the article is to study financial indicators, their evaluation, determination of resources for increasing profit and profitability, and the impact of those indicators on the financial activity of enterprises and economic security. Evaluating the financial indicators of enterprises aims to determine the indicators for analyzing their current financial situation and identifying areas and actions required to enhance these indicators. Additionally, it involves exploring methods to influence the economic security system of enterprises through the improvement of financial indicators. Achieving these objectives necessitates accurate assessment, forecasting, and management decisions to enhance the financial situation of the enterprise.

Research methods. The article was written using theoretical-methodical approaches, systematic approach, comparative analysis, factor analysis, graphic analysis and economic-statistical methods.

Scientific innovation. It is justified that evaluating the financial condition of an enterprise and assessing its economic security complement and depend on each other, being inseparably linked. Economic security can only be fully ensured in conditions of continuous financial development. It has been established that when evaluating the financial condition of the enterprise, all its economic indicators should be monitored, enabling the enterprise to swiftly and effectively adapt to changing environmental conditions. Given these considerations, the importance of closely examining, enhancing, and bolstering the financial stability of an enterprise's financial indicators in ensuring economic security has been justified. Additionally, the authors have proposed the primary directions for improving the financial indicators of an enterprise.

Keywords: enterprise, economic security, financial indicators, profit, profitability, solvency, liquidity, financial stability
JEL classification*: D24, F52, G32*

Нині економічна безпека є однією з головних стратегічних цілей будь-якої держави. Проте без стабільної діяльності підприємств неможливо забезпечити економічну безпеку. У мінливому зовнішньому середовищі економічна безпека підприємства є необхідною умовою його виживання. Для цього необхідно оцінити фінансові показники підприємства та визначити шляхи їх покращення. Стан фінансових показників підприємства традиційно вважається основним фактором забезпечення його економічної безпеки, оскільки стан цих показників відображає кінцевий результат роботи. Для аналізу фінансових показників підприємства необхідно визначити критерії та параметри його оцінки. Важливість правильного визначення критеріїв оцінки фінансових показників підприємства зумовлена головним чином необхідністю забезпечення його безпеки та підготовки та реалізації для цього ефективних управлінських рішень.

Актуальність теми. Сьогодні підприємства працюють в умовах різноманітних невизначеностей, таких як кризи, пандемії, інфляційні процеси, коливання цін тощо, які спостерігаються у світі. За таких умов підприємства змушені працювати ефективно, боротися за здобуття впливу та доходів на ринку, правильно оцінювати та покращувати фінансові показники, виявляти, аналізувати та нейтралізувати негативні ефекти, які можуть загрожувати економічній безпеці. З іншого боку, підприємства повинні своєчасно аналізувати свої фінансові показники, щоб підготувати комплекс заходів, спрямованих на зміцнення конкурентних позицій і підвищення ефективності діяльності. Всі ці аспекти свідчать про актуальність теми статті.

Метою статті є дослідження фінансових показників, їх оцінка, визначення ресурсів збільшення прибутку та рентабельності, вплив цих показників на фінансову діяльність підприємств та економічну безпеку. Метою оцінки фінансових показників підприємств є визначення показників для аналізу їх поточного фінансового стану, а також визначення напрямків та заходів, які необхідно провести для покращення цих показників. Також дослідити шляхи впливу покращення фінансових показників підприємств на систему економічної безпеки. Реалізація таких цілей вимагає правильної оцінки, прогнозування та прийняття управлінських рішень щодо покращення фінансового стану підприємства.

Методи дослідження. Стаття написана з використанням теоретико-методичних підходів, системного підходу, порівняльного аналізу, факторного аналізу, графічного аналізу, економіко-статистичних методів.

Наукова новизна. Обґрунтовано, що оцінка фінансового стану підприємства та оцінка стану його економічної безпеки доповнюють одна одну, залежать одна від одної та нерозривно пов'язані, а економічна безпека може бути повноцінно забезпечена лише за умов безперервності фінансового розвитку. Визначено, що якщо оцінювати фінансовий стан підприємства, то

необхідно контролювати всі його економічні показники, а це означає, що підприємство може швидко та ефективно адаптуватися до умов зовнішнього середовища, що змінюється. Враховуючи це, обґрунтовано необхідність приділяти пильну увагу напрямкам оцінювання, покращення та підвищення фінансової стійкості фінансових показників підприємства в процесі забезпечення економічної безпеки. Також були запропоновані основні напрями покращення фінансових показників підприємства.

Ключові слова: підприємство, економічна безпека, фінансові показники, прибуток, рентабельність, платоспроможність, ліквідність, фінансова стійкість

JEL classification*: D24, F52, G32*

Introduction

The modern era is characterized by the inflationary process, crisis events and the negative consequences caused by the COVID-19 pandemic. In such conditions, every enterprise tries to stay afloat, and in this regard, the evaluation of its financial indicators is becoming increasingly important. The proper evaluation of financial indicators is necessary for ensuring financial security. Such a security system of the enterprise is an integral part of economic security. It is considered essential for ensuring high efficiency in a changing external environment and maintaining financial stability despite numerous financial risks. In an unstable economy, the enterprise must ensure the protection of its economic security in order to maintain its position in the market and obtain the maximum possible profit.

Research methods. The article was written using theoretical and methodical approaches, systematic approach, factor analysis, comparative analysis, graphic analysis, economic and statistical methods. Based on those methods, the concepts of economic security and financial situations of enterprises were reviewed, micro and macroeconomic problems that threaten economic security were studied, financial indicators were reported and the necessity of their evaluation was justified. In order to improve the performance of the enterprise in the market, the main areas of activity covered by the process of managing financial results were determined.

Discussions and conclusions

1. Economic security in the enterprise and factors that threaten it

In economic literature, the economic security of an enterprise is understood as a state of security in which it can develop, compete and resist potential and real threats now and in the future. Economic security also means ensuring the effective use of company resources to prevent and neutralize threats and create conditions for its future successful activities. The financial condition of an enterprise is understood as an economic category that reflects the ability to pay debt obligations, the state of capital, as well as the cash flow that ensures the production and sale of products.

The main threats to the economic security of an enterprise are the following:

1. Macroeconomic problems:

- prolonged economic crises, conflicts;
- reduction in income of the population and, as a result, weakening of solvency;
- criminalization in the economy, increase in economic crimes, corruption;
- enterprises do not trust their business partners;
- imperfection of the legal framework of enterprises;
- frequent changes in energy prices;
- loss of foreign economic positions of the country, etc.

2. Microeconomic problems:

- inefficiency of the internal financial control system;
- lack of sufficient qualifications of management staff;
- inefficiency of production and sales strategies and policies of the enterprise;
- inability of the enterprise to fulfill its financial obligations;
- violation of cash and payment discipline;
- mistakes in the field of management, etc. [2, pp.54-55].

Financial stability as the basis of economic security is determined by the stability of the economic environment in which the enterprise operates, the results of its activities, as well as its active and effective response to changes in various factors [7, p.51]. The financial stability of an enterprise acts as a necessary factor in its economic security system. Economic security can be ensured on the basis of continuous development of the enterprise. Enterprises should create conditions for the implementation of financial mechanisms that can adapt to the transformations occurring in the external and internal environment. Thus, the financial situation is the main component in the system of economic security of the enterprise.

In general, economic security is the protection of an enterprise's activities from the negative influence of the external environment, as well as the prevention of various threats or adaptation to existing conditions. In order to analyze the current state of the level of economic security of an enterprise, it is necessary to evaluate financial indicators [7, p.7].

The results of economic crises and pandemics in the modern world prompt business leaders to look for new approaches in assessing their economic security. One of the main elements of an effective enterprise management system is that its financial indicators are in a position of constant growth. The formation of a system of basic economic prerequisites for stable operation and sustainable development of an enterprise in the short and long term is a priority goal. The financial performance of an enterprise is an important element in the structure of its economic security. The level of economic security also depends on the effective use of financial resources and the sustainability of enterprise development [8, pp. 383-384].

2. Financial indicators of an enterprise, the goals of their assessment and analysis

The most important aspect of economic security is the stability of the financial position of the enterprise. Because financial stability is the most important factor characterizing the stable operation of an enterprise in constantly changing conditions.

The financial system of an enterprise is considered stable if the efficient allocation of financial resources is ensured in the long term, financial risks are prevented as a result of effective economic policies, and the system is able to fulfill its main tasks in case of external negative influences. Failure to provide one of the directions we have listed means that the financial stability of the enterprise is not at the required level and there is a threat to its security. In general, the financial stability of an enterprise serves to ensure its security and stability at any level of development. Since a financial system is multifaceted, it is impossible to determine its stability with one indicator [3, p.32].

Financial condition is a kind of indicator by which investors and counterparties determine the investment attractiveness of an enterprise. Based on the analysis of such a situation, the management team can make the most effective management decisions regarding the activities of the enterprise.

Analysis of financial indicators is carried out to determine the financial condition of an enterprise, which is the most important procedure in its activities. The main goal is to assess the sustainability of an enterprise's economic activity, competitiveness and solvency, as well as overall efficiency.

When companies analyze their financial indicators, they set the following goals:

1. Assessment of the current financial situation.

2. Preparation of forecasts on financial indicators.

3. Determining the degree of influence of factors on deviations detected in certain indicators.

4. Preparation and adoption of management decisions in order to improve the financial situation.

The sequence of analysis of the state of financial indicators of an enterprise can be carried out in three stages:

Stage I: assessment of the current state of an enterprise, trends in its changes, calculation of dynamics and changes in indicators;

Stage II: determination of the degree of influence of factors on the level of development and financial condition of an enterprise;

Stage III: preparation of future measures based on the conducted financial analysis.

Financial analysis, being the basis for preparing the financial policy of an enterprise, plays an important role in revealing the deficiencies in its activities and assessing the current state of financial indicators. Analysis of an enterprise's financial indicators is an effective tool for assessing the probability of its bankruptcy, identifying internal reserves, preparing fundamental plans and management decisions. Managers of medium and large enterprises have to make many management decisions every day. Therefore, an objective assessment of the financial performance of an enterprise is very important, including profit, profitability, liquidity, solvency, efficiency in the use of resources, the volume of credit funds used, etc. [6, p.15; 8, p.53].

For assessing the financial position of an enterprise, the following indicators split into three blocks are used (Fig. 1).

Ineffective financial management of an enterprise and improper allocation of financial resources can lead to many negative consequences. To determine whether an enterprise is in a danger zone, it is necessary to assess the actual level of its main financial indicators. The solution to this problem is possible by using a systematic approach, in which, first of all, evaluation methods and criteria are selected, indicators and threshold values are determined, as well as key performance indicators. Monitoring the external and internal environment is important for the implementation of an economic security system in terms of identifying risks and threats at different levels of the economy. This allows us to identify the strengths and weaknesses of the development of an enterprise and, as a result, to avoid unexpected losses in terms of managing payments to customers and suppliers, accounts receivable, pricing policy, etc.

3. Evaluation of profit and profitability as the main indicators affecting the financial situation and economic security of an enterprise

The analysis of financial indicators is used to evaluate the activity of the enterprise as a whole and to determine its financial

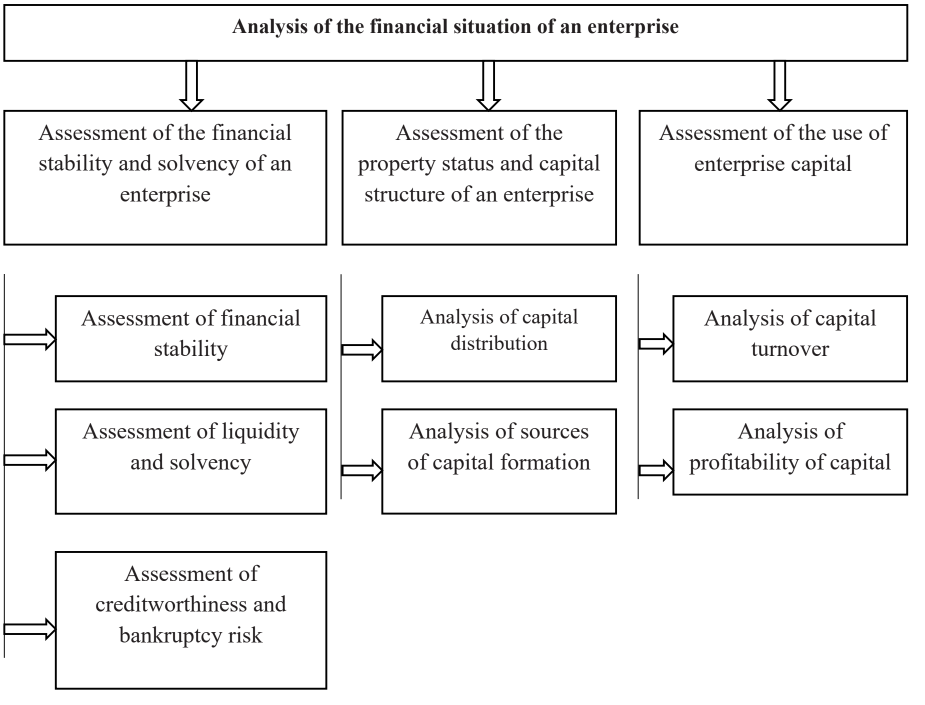

Fig. 1. Indicators for assessing the financial condition of an enterprise
Source: compiled by the author based on the analysis of literature sources

security. The analysis of these indicators allows to determine the main points in the activity of the enterprise and the weakest points in its work. Based on the information obtained, further steps in the development of the company in subsequent periods are developed. In the context of assessing the economic security system, the main goal of the analysis of financial indicators can be considered as the timely identification of opportunities to increase the efficiency of the enterprise. According to this goal, the following tasks of the analysis of financial indicators are distinguished:

1. Timely identification of financial problems of the enterprise and their elimination, as well as searching for ways to improve the financial position.

2. Drawing up forecasts of the future financial state based on the current economic activity of the enterprise and the availability of all funds.

3. Preparation of specific directions for the efficient use of enterprise resources and improvement of the financial position [12, p. 570].

In general, financial indicators influence the financial results of the enterprise. These results are the outcomes of the enterprise's activity expressed in monetary terms for a certain period of time, which are based on the comparison of incurred expenses and income. Since the financial result directly depends on the level of profit and profitability of the enterprise, let's consider these economic categories.

The indicators of profit and profitability of an enterprise mainly require correct and efficient management during a crisis. Profit directly impacts the financial results of operations. Additionally, the role of profit is reflected in the functions it performs. The process of managing enterprise profit is based on a certain mechanism, which is a system of key elements regulating the process of preparation and adoption of management decisions related to profit. Managing this system means ensuring the desired level of profit. Managing the profitability of an enterprise is also important from the perspective of economic security. Profitability acts as the most important indicator of enterprise efficiency.

The issue of proper profit distribution and return on invested capital is the main criterion for choosing products and investing in a specific enterprise, and it serves as the most important link in financial management. Additionally, the optimization of the distribution of net profit serves as a factor in increasing the efficiency of the enterprise as a whole.

These indicators characterize the reasonableness of the cost structure, the extent to which capital and other resources are used, as well as the overall efficiency of the enterprise. In general, each financial indicator and its threshold values are important for economic security; failure to comply with them can hinder the normal functioning of the enterprise and lead to negative, destructive trends [11].

In order to analyze the current financial situation of industrial enterprises in Azerbaijan, let's analyze their profit index.

Fig. 2 shows that the gross and net profit of industrial enterprises continuously increased during the periods studied. However, in 2020, due to the spread of the COVID-19 pandemic, gross and net profit decreased compared to previous periods, and began to grow again in 2021 and reached its maximum level in 2022. In 2020, the total profit of industrial enterprises in Azerbaijan was 20,875.2 million AZN, which decreased by 56.4% compared to 2018 and 46.1% compared to 2019. In 2022, the total profit was 63681.8 million AZN, which is 4 times more than in 2015, 3 times more than in 2020, and 1.8 times more than in 2021. That year, the specific weight of net profit in total profit was 96.0%.

At present, the main priority task facing enterprises should be to ensure a high level of economic security by increasing profits and increasing profitability. The most important factor that keeps businesses afloat is undoubtedly profit and profitability. A business that cannot make a profit cannot survive; it must increase its income and reduce expenses. Enterprises can increase their income by consistently making customers

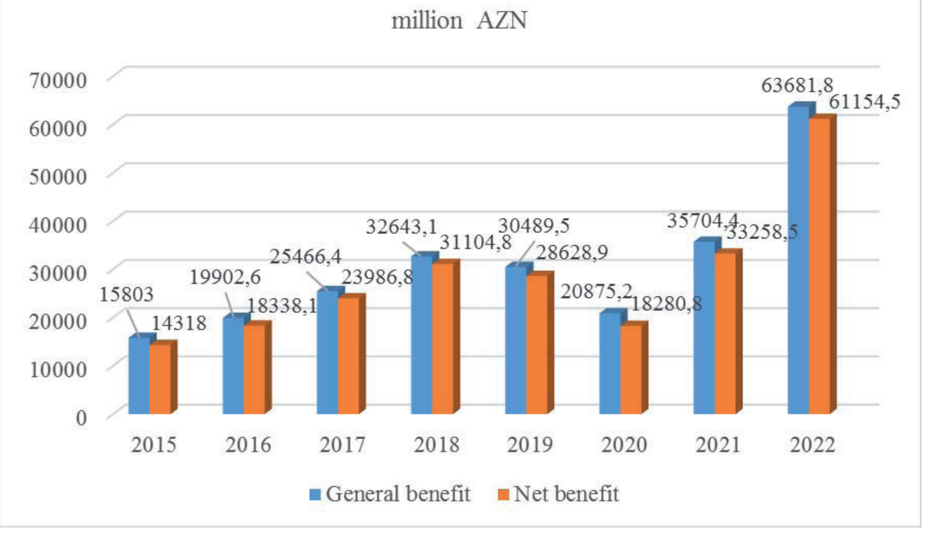

Fig. 2. The dynamics of gross and net profit of industrial enterprises in Azerbaijan for the 2015-2022 period

Source: Compiled by the author based on SSCRA data [1; 12]

prefer the goods and services they produce. Without compromising the overall quality, the enterprise should efficiently use its resources and minimize its costs. A positive difference between income and expenses should always be maintained. The primary goal of sustainable enterprise profitability is to ensure stable growth and thereby protect its economic security [10, p. 157].

When analyzing the financial performance of an enterprise, it is necessary to comply with and take into account the requirements of the economic laws of production development, and to implement this on the basis of a comprehensive study of the cause-and-effect relationship of its activities, using reliable data. Data and analytical results that objectively reflect reality should be based on accurate calculations, and the results of the analysis must influence the progress of work and the results of the enterprise. Thus, the analysis of the mentioned indicators allows us to evaluate its activities, identify shortcomings in its work, determine development trends and tasks facing it, as well as ways to improve all aspects of its activities [10, p. 136].

Positive financial results obtained by an enterprise can be associated with efficiency in the following areas:

• commercial activity helps to increase sales volumes and, as a result, generate additional profits;

• profit can be increased by properly utilizing equipment and material resources through the implementation of waste-free technologies in production activities;

• the technical and technological state of the enterprise makes it possible to expand the range and reduce manual labor, ensuring an increase in sales;

• financial activity creates conditions for rational reinvestment of profits and obtaining additional profits;

• social action ensures normal working conditions for the workforce, which neutralizes losses from negative attitudes and violations of labor discipline.

Thus, ensuring a sustainable level of profit and profitability in the market conditions becomes a necessary reality for the efficient development of an enterprise, attracting the most qualified specialists and investors, obtaining government orders and successfully fighting with competitors and ensuring its economic security. In general, economic security can be ensured by having an understanding not only of the status and utilization of assets, capital, and liabilities, but also of the progress of the plan, trends, and nature of changes in the economy. In this context, the analysis of other financial results, characterized by the volume of profit and the level of profitability, also acquires special importance.

The stability of the financial position of an enterprise ensures the efficiency of production activities and the provision of necessary resources, increasing solvency and liquidity, and therefore its economic security [5, p.225].

Solvency acts as the main factor of financial stability, which is defined as the ability an enterprise to fulfill its obligations in a timely manner. The solvency indicator allows determining the degree of independence of the enterprise from counterparties. The normative value of solvency is determined within the range of 0.5-0.7. The indicator of financial stability enables determining how stable the enterprise is and preempting the emergence of financial threats.

The main ratios used in assessing the solvency of an enterprise are current, absolute and intermediate liquidity ratios. These ratios allow us to assess how much the corresponding assets cover current liabilities. If during the assessment it is determined that the company has low liquidity, this may bring it to the point of bankruptcy and insolvency. Therefore, it is considered necessary to achieve optimal values of this indicator [4, pp. 52-55].

The solvency of an enterprise is determined by many factors, the most important of which is liquidity. Another indicator, no less important than solvency, is the liquidity indicator. This indicator should be at an optimal level, because insufficient liquidity of assets can lead to bankruptcy of the enterprise, and excessive liquidity can lead to a decrease in profitability.

It is known that various methods are used to assess solvency and liquidity. However, regardless of which method is applied, that method should allow to detect negative contrasts in the financial situation of an enterprise and obtain appropriate results. However, there is still no unified methodology in this regard. In order to maintain solvency and an optimal level of liquidity, the volume of funds entering the company's accounts should always exceed its expenses. These indicators positively impact the acquisition of highly qualified employees and trustworthy suppliers, the effective execution of the company's plans, securing loans, and providing production with essential financial and material resources. These factors contribute to creating a competitive advantage in today's market economy. Thanks to these favorable indicators, the enterprise is capable of promptly meeting all tax obligations and debts, thereby safeguarding its security. With high solvency, the likelihood of bankruptcy is minimized. However, the security of the enterprise depends not only on financial indicators, but also on sudden changes in the external environment and market conditions.

Thus, a crucial criterion for the efficient operation of an enterprise is a stable financial position, which, in turn, is contingent upon the balance between capital and debt funds, fixed and working capital, as well as active and passive balances. Even with favorable financial results, enterprises may face difficulties if they do not utilize financial resources rationally. In such instances, the significance of the enterprise's financial stability becomes apparent. It denotes the capacity to operate and evolve while sustaining equilibrium between assets and liabilities amidst fluctuations in both the enterprise itself and its surroundings.

4. Directions for improving financial indicators of enterprises in terms of economic security

In general, the issue of ensuring economic security is directly related to the directions of improving the financial performance of enterprises. This issue is of special importance not only for the enterprises themselves, but also for the country as a whole, since enhancing financial indicators contributes to boosting budget revenues, capital and investment opportunities across various sectors within the country, impact economic activity and security. This is particularly important in the context of mitigating the repercussions of the macroeconomic crisis triggered by the COVID-19 pandemic.

The main principle of protecting the economic security of an enterprise is the control of income and expenses. Let's take a closer look at the areas of improving the financial indicators of the enterprise, in other words, reducing the level of expenses and increasing the level of profit. The main modern tools in these areas are shown in Fig. 3.

Cost reduction is a complex tool to manage financial results, because they require comprehensive learning and management experience within a given enterprise, as it can lead to a decrease in product quality and sales levels. Therefore, in today's highly competitive conditions, the reduction of costs should not occur through a decrease in quality, but through increasing the efficiency of production and economic activities, using new sales methods, resource-saving technologies, and digital tools. Increasing sales volumes implies both increasing the efficiency of resource use and expanding production volumes, searching for new markets and investors, as well as revising production programs in favor of more profitable products.

In contemporary conditions, every enterprise must accurately assess its financial capabilities, tactics, and strategies for future development, along with overall financial indicators, to minimize potential risks. The primary objective of evaluating the financial performance of an enterprise is to analyze its current financial position and outcomes, as well as changes in the asset and liability structure and settlements with debtors and creditors. To enhance financial performance, it is imperative to continuously monitor the financial operations of the enterprise, thereby drawing management's attention to existing issues and identifying potential risks [9, p. 185].

In order to improve the financial situation of the enterprise, which includes increasing the financial stability, liquidity and solvency, measures can be proposed to increase the most liquid assets and to reduce their debts. First, the enterprise must perform the following activities:

- evaluate the liquidity of the balance by systematically calculating the liquidity indicators that will help determine the deviations;
- control accounts receivable and payable, control the rate of their growth by increasing the share of the initial payment for products;
- strengthen legal control over the acquisition of overdue debts;
- revise the terms of payment to increase the liquidity of the enterprise, etc.

The financial performance of an enterprise is systematically influenced by a wide range of factors that directly impact its efficiency in the market. This necessitates

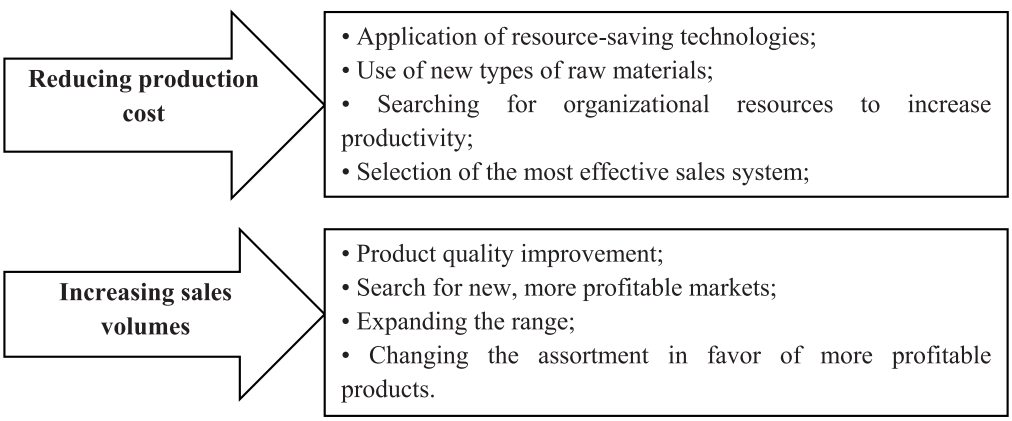

Fig. 3. Ways to improve a company's financial indicators
Source: Compiled by the author

the development of comprehensive measures for their management to enhance financial results. The process of improving the financial results of an enterprise adheres to several management principles, such as attention, planning, skill, stimulation, hierarchy, interdependence, optimality, and flexibility. The overarching goal of managing financial results is to maximize the absolute value of the enterprise's net profit and sustain this level of stability over a certain period. The process of managing financial results in order to improve the performance of an enterprise in the market includes the following activities:

- conducting an analysis of the structure and factors influencing the financial results;
- formation and distribution of financial results;
- control over the distribution process and evaluation of financial results;
- coordination of activities to improve financial performance.

The planning process is the basis for the regulation of financial results. Internal planning of financial results is based on the following processes:

- establishing a forecast on profit formation and distribution;
- implementation of current planning on profit formation and distribution.

There is a certain relationship between the financial indicators of an enterprise, since an improvement in some can lead to the decrease in others, for example:

a) by attracting debt capital, the profitability of total capital increases, but the financial stability of the enterprise itself decreases.

b) due to an increase in turnover, the volume of current assets may reduce, which may lead to a deterioration in liquidity itself.

c) when attracting a long-term loan, it is possible to refuse a short-term loan, but the result will be an improvement in liquidity.

Hence, leveraging the financial indicators of an enterprise enables a more accurate assessment of whether its activities are efficient or not. By evaluating these indicators, it becomes possible to anticipate actions that aid in minimizing costs and maximizing profits.

Therefore, in the process of ensuring economic security, considerable attention should be directed towards evaluating and enhancing the financial indicators of the enterprise, bolstering financial stability, liquidity, and solvency. The primary directions for improving the company's financial indicators may include the following:

1. Cost reduction. Implementing measures to boost profits. Establishing an efficient cost control system can serve as a highly effective mechanism. Additionally, analyzing the organizational structure to eliminate unnecessary management levels and reduce labor costs is advisable.

2. Debt accumulation to enhance cash flow velocity. Stimulating customer debt repayment through special discounts can facilitate this process.

3. Restructuring debt obligations. Conducting a detailed analysis of liabilities and exploring potential payment options to enhance future liquidity. If obligations cannot be met, considering options for restructuring them is essential.

4. Revising capital investment plans. Adjusting these plans to increase direct cash flow and minimize costs.

5. Increasing the attraction of funds from diverse financial sources unrelated to trade partnerships. Seeking support from key stakeholders such as banks, shareholders, or owners can be beneficial.

6. Boosting production and sales volume: This contributes to an increase in income from product sales, thereby augmenting liquid assets. Identifying the product groups yielding the highest profits is crucial for this purpose.

7. Enhancing working capital management methods.

8. Forecasting the financial situation of an enterprise. Conducting thorough analysis to forecast the long-term financial outlook and preparing appropriate measures accordingly.

9. Implementing an effective cash flow forecasting system: This is a crucial component of predicting the enterprise's financial condition.

Conclusions

In general, the impact of the results of financial indicators of enterprises on economic security can manifest in the following directions:

1. A comprehensive analysis of the dynamics of indicators characterizing various aspects of its financial activity should be carried out to identify potential threats affecting the enterprise's operations.

2. In modern market conditions, to prevent bankruptcy, ensure survival, and safeguard its position within the economic security framework, enterprises must acquire a thorough understanding of proper financial management practices, optimal capital structure, and the appropriate proportion of debt funds.

3. Accurate assessment and enhancement of the enterprise's financial indicators, ensuring economic efficiency, competitiveness and investment attractiveness are important elements of economic security in its activity. The main financial indicators of an enterprise are profit and profitability indicators, the enhancement of which leads to the improvement in other indicators.

4. Sustainable enterprise development and financial indicator improvement require timely, comprehensive analysis not only of financial situations but also of emerging threats across various processes. Despite the complexity of processing large volumes of data, analysis and diagnostics remain primary tools for making management decisions regarding the enterprise's economic security.

5. Enterprises operate in competitive environments fraught with numerous internal and external threats. Consequently, enterprise management must establish an economic security management system aimed at minimizing or eliminating the adverse effects of such factors most effectively.

6. Ensuring an acceptable level of economic security within the enterprise, predicting risks and threats, influences the formation of financial results and profits. Generally, higher risks mean higher profits. However, in unfavorable situations, high risks are associated with a decrease in the company's income and capital. Thus, economic security can be achieved by safeguarding financial stability and ensuring financial independence of the enterprise.

Thus, correctly assessing financial indicators in light of new global and macroeconomic challenges necessitates identifying areas for improvement, ultimately stimulating the economic activity of individual enterprises and the nation as a whole. In this manner, it contributes to ensuring economic security.

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EVALUATION OF FINANCIAL INDICATORS OF AN ENTERPRISE AS AN ELEMENT OF ECONOMIC SECURITY

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https://doi.org/10.32342/2074-5354-2024-2-61-10

Keywords: enterprise, economic security, financial indicators, profit, profitability, solvency, liquidity, financial stability

JEL classification*: D24, F52, G32*

In modern times, economic security stands as one of the primary strategic objectives for any state. However, achieving economic security is unattainable without the stable operation of enterprises. Amidst a constantly evolving external environment, the economic security of enterprises becomes a prerequisite for their survival. To this end, evaluating the financial indicators of enterprises and identifying areas for improvement are imperative. The state of an enterprise's financial indicators is traditionally regarded as the primary factor ensuring its economic security, as these indicators reflect the ultimate outcome of its operations. To analyze the financial indicators of an enterprise effectively, it is essential to establish evaluation criteria and parameters. The significance of accurately defining criteria for evaluating the financial indicators of a company primarily stems from the necessity to ensure its security and formulate and execute effective management decisions.

Relevance of the topic. Today, enterprises operate amidst various uncertainties such as crises, pandemics, inflationary processes, and price fluctuations observed worldwide. In such conditions, enterprises are compelled to operate efficiently, compete for market influence and income, accurately assess and enhance financial indicators, and identify, analyze, and neutralize negative effects that may threaten economic security. Conversely, enterprises should promptly analyze their financial indicators to develop a set of measures aimed at bolstering their competitive positions and enhancing the efficiency of their operations. These aspects underscore the relevance of the article's topic.

The purpose of the article is to study financial indicators, their evaluation, determination of resources for increasing profit and profitability, and the impact of those indicators on the financial activity of enterprises and economic security. Evaluating the financial indicators of enterprises aims to determine the indicators for analyzing their current financial situation and identifying areas and actions required to enhance these indicators. Additionally, it involves exploring methods to influence the economic security system of enterprises through the improvement of financial indicators. Achieving these objectives necessitates accurate assessment, forecasting, and management decisions to enhance the financial situation of the enterprise.

Research methods. The article was written using theoretical-methodical approaches, systematic approach, comparative analysis, factor analysis, graphic analysis and economic-statistical methods.

Scientific innovation. It is justified that evaluating the financial condition of an enterprise and assessing its economic security complement and depend on each other, being inseparably linked. Economic security can only be fully ensured in conditions of continuous financial development. It has been established that when evaluating the financial condition of the enterprise, all its economic indicators should be monitored, enabling the enterprise to swiftly and effectively adapt to changing environmental conditions. Given these considerations, the importance of closely examining, enhancing, and bolstering the financial stability of an enterprise's financial indicators in ensuring economic security has been justified. Additionally, the authors have proposed the primary directions for improving the financial indicators of an enterprise.

Одержано 11.01.2024.