

INFLUENCE OF INSTITUTIONAL ENVIRONMENT ON DYNAMICS OF CORPORATE ENTERPRISE'S COST

The article investigates mechanisms of influence of institutional environment's factors on the cost of corporation in conditions of transformation economy. The comparative analysis of character of influence that institutional factors have on the economy of countries with different level of market institutions' development allows us to set the following conclusions:

– one of the main objectives of corporation cost management in conditions of transformation economy – is to identify factors of institutional environment, to track dynamics of their development and to use them effectively for maximizing of company's cost potential;

– basic tendencies in the cost dynamics of Ukrainian corporations are: absence of traditional sources of regular increase of a company's value through additional issues of shares, significant fluctuations in the EVA index because of instability of political institutions, absence of a direct dependence between the level of corporate management efficiency and the dynamics of the corporation's value;

– corporations operating in the conditions of transforming economic relations are characterized by low efficiency of management, underuse of growth and modernization's capacity, low liquidity level of securities.

Next research subject must be an analysis of the formation mechanism of corporation's rating based on the account of not only internal but also external factors affecting its cost.