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NON-FINANCIAL INDICATORS IN EFFECTIVENESS EVALUATION OF COMMUNICATION ENTERPRISES

Abstract. The article describes features of evaluating the performance of communication enterprise in the formation by the relationship with a partner. In the work defined and proved that effective evaluation by the relationship between the communication enterprise and a partner is possible due non-financial indicators. Recommended a phased process of formation and approval of non-financial efficiency indicators by the relationship of communication enterprise with a partner, as most non-financial indicators system take into consideration specifics of business environment, areas of communication, management and key efficiency indicators.

Keywords: efficiency, communications, key efficiency indicators, non-financial indicator, evaluation, a partner, communication enterprise

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JEL Classification: C 13, F 15, L 10, L 20, L 96, M 11, M 21

Introduction. Modern conditions in the communication enterprise experience problems related to their competitiveness in sphere. It concerns payments, lack of circulating assets, salary debt, the gap of economic ties with partners. The fore issues about organization and effective interaction of communication enterprises with a partners - the most relevant in a market economy.

However observations on the development of communication enterprises make it possible to distinguish two directions of forming partnership relations, which differ depending on sectoral cooperation partners. The first direction about formation and development of relations with communication enterprises - is the relationship between companies that carry on business in the sphere of communication, ie between communication enterprises. The second direction - relationships between communication enterprise and company that does not provide communication services, ie another enterprise. For example for other companies include - scientific research institutes / laboratories, banking and insurance companies, courier services, transportation services, advertising agencies and other spheres.

Analysis of research and formulation tasks. Questions about the formation and development of partner relations by economists, scientists still were engaged as I. Ansoff, V. Glushchenko, V. Gorbatov, A. Dagayev,

M. Dolgorukov, N. Kizim, Yu. Paranich, V. Ponomarenko, O. Tihonov and others [Ansoff 1989; Wiseman 1995; Dźwigoł 2000; Dźwigoł 2001; Dźwigoł 2003a; Dźwigoł 2003b; Dźwigoł 2004; Dźwigoł 2010; Glushchenko, Paranich 2005; Kvilinskyi 2012; Dahaev 2001; Dolgorukov 2004; Ilin, Tikhonov 2002; Ponomarenko, Gorbatov, Kizim 2007; Finansovye i nefinansovye pokazateli]. However, this issue needs more detailed research with calculation the specifics of communication sphere.

Aim of the article is to research essence and formation of the system of non-financial indicators for assessing the effectiveness of communication enterprises in relations with a partner.

Research results. Assessing the efficiency of partner relations, can consider not only financial indicators (increase of service, income, etc.), but also non-financial. These indicators will allow partners to measure not only quantitative effective functioning and partnership relations development, but also qualitative, namely, to reflect the degree of use such qualitative factors as research intensity services, expanding the market space, improvement of working conditions, the environment and so on.

Worth note that these non-financial indicators are more attractive for evaluating the effectiveness of the interaction between communication enterprises with a partner that is one of the directions of obtaining relevant information for the functioning and development of partner relations.

Research of non-financial indicators (further - NI) the efficiency from the interaction between communication enterprise with a partner associated with the presence of modern conceptual apparatus, content, advantages and disadvantages.

Among the major works about issues of NI, you can highlight the labors by economists such as M. Betz, P. Buryak, M. Kreynina, M. Rymar and others. [Krejnina 2003, Buriak, Rymar, Betz 2004]. Should be noted that often NI seen as indicators that have no monetary value. Thus, in [Krejnina 2003] indicated that the NI - are indicators which do not used in monetary units. The same opinion is shared by the author of [Buriak, Rymar, Betz 2004], which secrete such factors as: the quality of the working environment, consumer satisfaction, time adjustment, delivery time, delivery accuracy, the share of defects and amount of the claim.

For example, in [Finansovye i nefinansovye pokazateli] indicated that the NI - is a long-term indicators that give results not immediately but only after a certain period of the company. NI is descriptive, describing the process of operation, but does not directly influence the formation of value. They describe the company and become the basis for calculating the financial indicators. Also, the numbers that does not fall in financial statements, usually referred to NI.

In the dictionary [Economic and mathematical dictionary] determined that the evaluation of the NI - performance indicators based on non-financial information, such as the trend in market share, the average time of customer service and other indicators.

The difference in interpretation of the concept NI is associated with the strategic goals that should characterize performance.

Should be noted that the system of indicators can be used not only as a complex indicator of the enterprise, as well as management system that provides a connection between strategic and operational beginnings of owners of the enterprise.

At the author the formation of NI at the enterprises is mandatory. They

represent the viability enterprises and may focus on resources and areas that underlie present and future development strategies, taking into account internal and external business environment.

Theoretical research of the NI essence allows you to organize and coordinate NI three groups in accordance with the internal and external business environment, fig. 1.

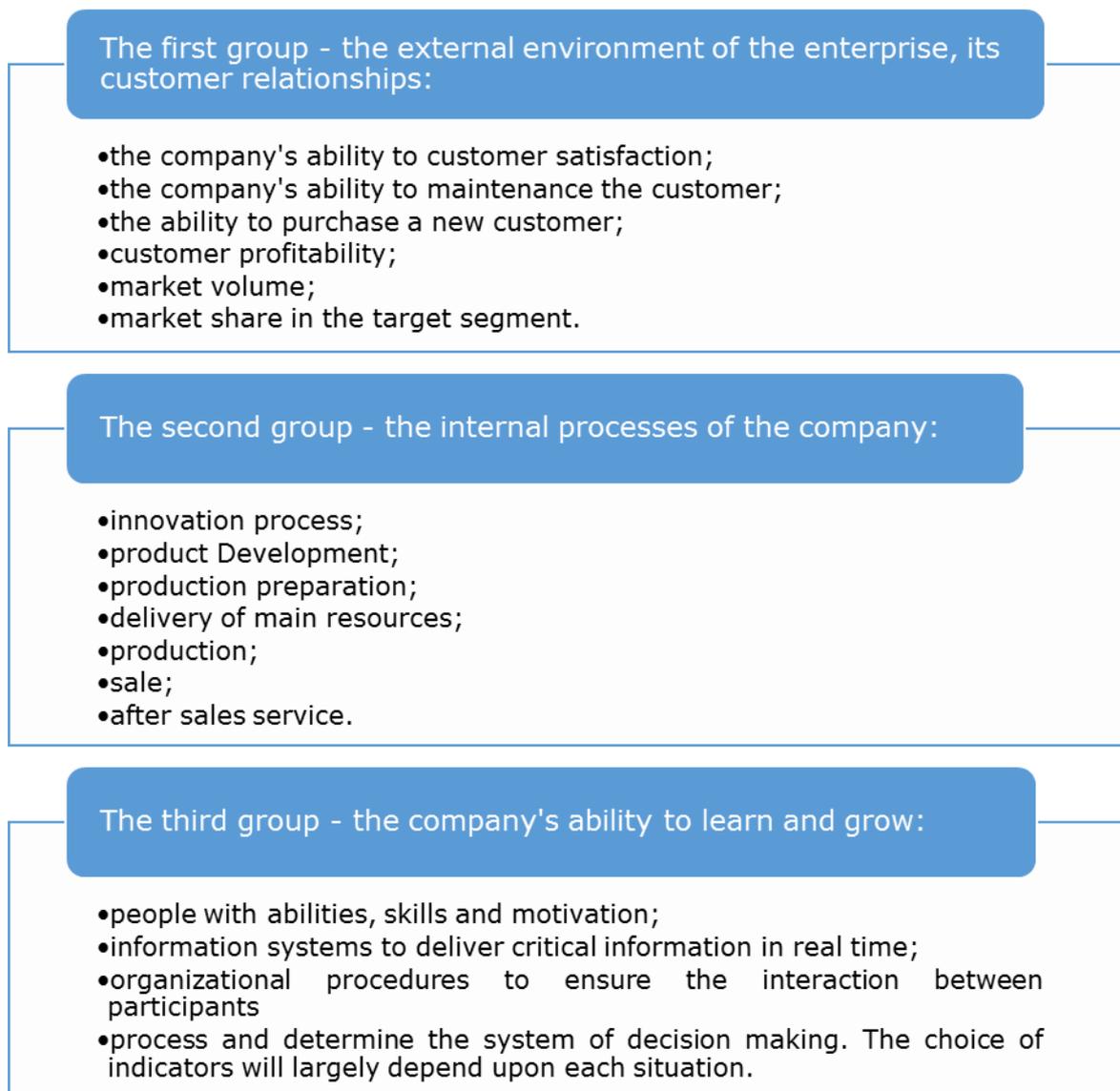


Figure 1 - group of non-financial indicators in accordance with internal and external business environment

Source: developed by authors

NI, which systematized in Pict. 1, allow the company management to make choices of various indexes depending on the strategic objectives and the resulting direction of the company and of each situation. However, there is a complex of indexes implied that management and owners of business activities, without knowing it, put developing the company policy on a particular issue and creating a set of corporate values. For example, as a NI may consider:

- basic competence of the company;

- the balance of economic indexes for the coordinated development of the concept of strategic the company;
- customer satisfaction;
- relationships with suppliers, customers, intermediaries;
- organization of internal business processes (improving internal business operations);
- the adaptability and enterprise development;
- conformity of control measures to marked attained;
- responsibility;
- quality and service;
- productivity and work with personnel etc.

The main feature of NI formation at the enterprises is to reflect the specificities of a particular type of entrepreneurial activity. The main principle of choice NI consists in the fact that they should provide management of information that enables perfect control and improve results of enterprises. This positive effect exceed the cost of obtaining that information (ie, the NI should not be used exclusively for their use).

Several theoretical research [Shilo 2005; Gudzevych 2004; Korobov 2002; Metz 2003; Buriak, Rymar, Betz 2004] determined that one of the problems of implementation and application at the enterprises NI display system is the choice of their number and composition. Often the company's management determines that NI is more important, and which can be ignored in the specific conditions of activity. Should be noted that there NI having two advantages to financial indicators. First, the NI immediately measure the results of the system of management and organization of business (customer service, relationships with suppliers, etc.).

Second, NI give more adequate evaluation of the results of the company, making the overall assessment of the accounting, reporting, compliance, effectiveness of internal controls, evaluation of others.

Selected NI must meet the following requirements: ensuring communication with the strategy of the company, the possibility of quantitative determination, clarity, accessibility, interconnectedness with other indicators (balance), relevance (the possibility of making the necessary corrections in case of deviation from the plan).

Theoretical investigations of the efficiency of communication companies in the formation and development of partner relations have made it possible to determine that one of the directions of evaluation is the use of key performance indicators. This conclusion was based on the fact that key performance indicators address specific interaction with communications companies with a partner, their strategic objectives, trends in communication and other factors that affect the efficiency of the relationship.

However, the efficiency of the relations the company communication with a partner, except key performance indicators affecting effective financial indicators and economic analysis of each partner, where financial ratio - a system of indicators used to analyze the financial condition of the company [Shilo 2005; Gudzevych 2004; Korobov 2002; Metz 2003; Buriak, Rymar, Betz 2004]. These indicators - are calculated based on the reports of each partner and other information used to characterize the financial structure.

Financial performance characterized by appropriate coefficients, which depend on the directions of research activities of each partner. Should note that the financial indicators can be divided into: economic status evaluation the

company, liquidity, profitableness and profitability, stability and financial stability, business activity and equity capital. Indicators of financial analysis related to the economic analysis of the company.

Economic analysis of the company - is study of economics and business enterprises [Butynets 2003; Chumachenko 2003; Kindratska, Bilyk, Zahorodnyi 2006; Seredynska, Zagorodna, Fedorovych 2002]. The main purpose of the analysis is to identify the economic reserves and development activities to maximize their use. The system of indicators of economic analysis of the company consists of three subsystems: resources, process and outcome. This approach makes it more fully explore some embodiments of the economic problems, to determine the effectiveness of these options and choose the best management decision.

Evaluation of enterprise communications and its relationship with a partner - economic and financial efficiency can not be done by any one indicator. In practice, each company uses a system of indicators that are linked, evaluate or show different activities of enterprises.

So, a variety of properties and characteristics of various types of industrial, economic and commercial activity of enterprise communications makes diversity indicators. This problem of their use is that none of them serves as a universal indicator, on which clearly could draw conclusions about the success or failure of interaction with a partner. As a result, the use of NI is a system of indicators characterizing the efficiency of the company communication and interaction with a partner. As a result, we can state a thesis, which is that non-financial indicators of efficiency operation and development of communications companies with a partner, - a system of indicators characterizing the quality and effectiveness of relations affects the efficiency of the operation and development of enterprise communications.

For the formation of system NI which to characterize the efficiency of the development of relations and communications companies with a partner, for their need of coordination of interaction accordance with the objectives and expected results. However, the coordination NI of relationship between communications companies with a partner, contributes to definition and formation of additional sources of information, accountability and indexes of the system.

The main principle in the formation of the system NI consists in the fact that it should provide the enterprise partner communications and information that would perfecting control and results improved relations. NI should be focused on the future and linked to effective cooperation. Therefore, the formation of a system NI should also focus on the events that must take place in the future, not state action that took place. The main attention is to be focused on how to effectively use the operation of data relationships and perform a set of data relationships planned tasks (ie, to achieve the planned indicators) that are tied to the objectives of cooperation. The combination of these actions contributes to the process of formation and approval system NI which to characterize the efficiency of development and communications companies and partners.

Total flowchart phased process of forming a system NI that characterize the effectiveness of relations and communications companies and partners are shown at fig. 2.

Filed in the scheme a phased process of development and NI coordination system efficiency of the relationship of the communication enterprises with a partner can be divided into two main groups (components) - formation of the

system NI and non-financial reporting.

1. Collection and processing of data about non-financial indicators - the research process and information processing of NI, which characterize the efficiency of communication enterprises with a partner.

This process grounds the search and selection NI for further efficiency estimation of the relationship between the communication company and partner. Source of information for this process can be: additional reporting enterprises, experience of forming partnerships in Ukraine and around the world, information of mass media, analytical reviews in specialized publications, the opinions of experts, etc.

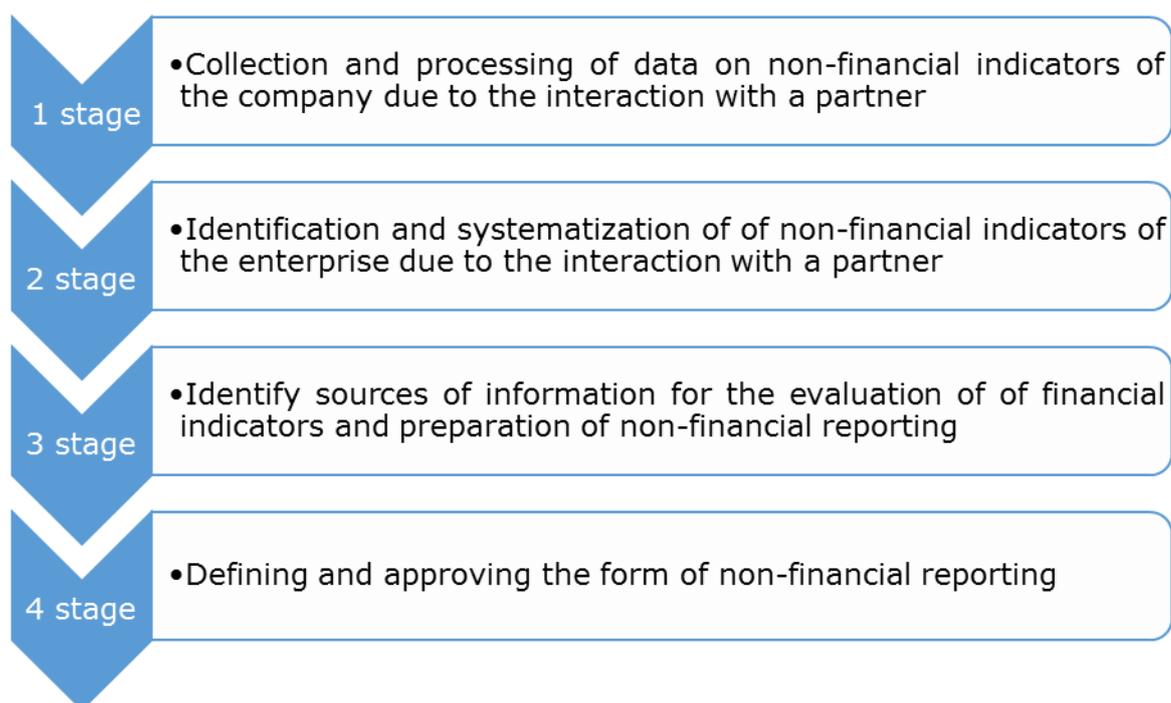


Figure 2 – Flowchart a phased process of formation and approval of non-financial efficiency indicators of the relationship communication enterprises with a partner

Source: developed by authors

2. Identification and systematization of NI - the process of defining requirements for NI efficiency of interaction the communication company with a partne, their grouping, identification of information sources and approval between them.

This phase grounds the choice of NI for measuring the effectiveness by the relationship. The source of this information may be the internal reporting to the communication enterprise and the partners, mass media information, statistical data, analytical reviews in specialized publications, the opinions of experts, etc. Should be noted that the requirements for NI effective functioning and development of relations defining the communication enterprise with a purpose, control systems, key efficiency indicators.

Should note that these groupings by NI should consider internal and external environment of functioning and development of communication enterprise. Thus, can be attributed to internal environment - interaction between managers and staff, and to the outside - consumers of communication services.

Also, the internal environment can be attributed to elements (signs) that take into account the features of the business process and the relationship between the communication enterprise and a partner. These signs are quality services, technology and production indicators, personnel, organizational possibilities of communication enterprise and the additional indicators. "Additional" indicators of internal environment of communication enterprise and the partner with relationship is a scale (complexity) the legal structure, subordination between the communication enterprise and a partner, complexity of business process, production capacity, licensing operations, registered intangible assets (patents, trademarks) and others.

External indicators that characterize the functioning and development by the relationship are the consumers and the competitiveness of the communication enterprise and the partner.

Conclusions. Evaluation of the effectiveness by the relationship between the communication enterprise and a partner through the NI can be carried out by indicators that presented in table. 1.

Table 1 - Non-financial indicators of efficiency by the relationship between the communication enterprise and a partner

Feature	Indicators
1	2
<i>Internal indicators that characterize the relationship</i>	
The relationship between the communication enterprise and a partner	<ul style="list-style-type: none"> - image of communication enterprises "before" and "after" relationship with a partner; - the degree of resources using (material, labor, technical and other) communication enterprise in the formation relationships with a partner; - the level of confidentiality between the communication enterprise and a partner; - the level of trust between the communication enterprise and a partner
Technology indicators	<ul style="list-style-type: none"> - the ability to develop the new communication services; - time from start of development in market supply the new communication services; - customer service technology
Production indicators	<ul style="list-style-type: none"> - degree of use the configured (available) equipment; - degree of using the productive resources; - production flexibility
Service quality	<ul style="list-style-type: none"> - quality services "before" and "after" forming by the relationship; - the technology of customer service; - after sales service to consumers of communication services
Marketing	<ul style="list-style-type: none"> - comfortable and operational office service; - accuracy level of customer orders; - provide consumers the additional services; - safeguards system

End of Table 1

1	2
Staff	<ul style="list-style-type: none"> – employees interaction with other workers partners; – creative approach to cooperation; – degree of labor resources
Organizational capabilities between the communication enterprise and a partner	<ul style="list-style-type: none"> – the ability an information exchange at relationship; – the ability of common and shared decision management solutions; – organizational interaction
Additional	<ul style="list-style-type: none"> – the scale (complexity) of organizational and legal structure; – subordination between the communication enterprise and a partner; – complexity of the business process; – production capacity
<i>External indicators that characterize the relationship</i>	
Consumer	<ul style="list-style-type: none"> – satisfaction and accessibility of telecommunications services; – the level of customer service; – comfortable and operational office service
Competitiveness	<ul style="list-style-type: none"> – expansion and strengthening of market position; – the share of communication enterprise at the market

Source: developed by authors

Presented in the table NI that characterizing the relationship between the communication enterprise and a partner take into consideration specifics of forming and development of these relations and communication development.

3. The information for the evaluation NI can be obtained from each participant relationships, as well as from consumers, workers, analytical reviews in specialized journals, publications of experts, etc. Should note that the evaluation of NI is possible through the survey results between communication enterprise and a partner, customers, employees and experts in this area through the use of scale (points). Thus, according to the scale established that evaluation can be an indicator that the transformation of these estimates are considered acceptable to avoid false or meaningless results [Butynets 2003; Chumachenko 2003; Kindratska, Bilyk, Zahorodniy 2006; Seredynska, Zagorodna, Fedorovych 2002].

For the NI evaluation efficiency of the relationship between the communication companies and a partner is recommended to use ordinal scale (rank). It allows you to define advantages between different objects; used to organize objects behind one or more features. In this scale the significance indicators are qualitative estimates. So often ordinal scale used to measure and compare the quality properties that can not be determined directly numbers. This is usually attributed to qualitative human judgment of quantitative evaluation, called points. Points - are usually natural numbers that show the rank of certain facilities; they are arranged in decreasing or increasing the benefits. For example, using the ordinal scale, a manager can evaluate the executive discipline or the qualifications of its employees, exposing them to the following points: 2 - low, 3 - medium, 4 - high, 5 - very high. The figures in this scale

only determine the order of the objects according to their advantages but don't give grounds to judge the extent to which one object is more important than the other.

In particular, the evaluation indicators for ordinal scale might have only two values: 0 (not fulfilled) and 1 (fulfilled). These indicators are common in management practices. They are used to evaluate those tasks or work for which it is mandatory that all the requirements. When something one fails, then all the others feel unfulfilled. For example, the project is fulfilled, if fulfilled all the requirements of the customer. If even one request fails, and the signature of the customer on the act of acceptance-delivery of works does not stand, the project as a whole is not yet complete. Or, say, one can not conclude the contract by almost 99%. You can either conclude or not to conclude. Again, we get only two possible the significance of indicator.

4. Definition of reporting forms - the formation of non-financial reporting between the communication enterprise and a partner that clearly presents information about the effectiveness of NI about operation and development of relationships that facilitate the management decisions.

Non-financial report consists of each participant of these relations and then data are summarized for clarity and to determine general trends regarding changes NI. Frequency of non-financial report depends by the management, partner, but we recommend it be at least quarterly.

Effective cooperation between the communication enterprise and a partner provided any selected the indicators (table. 1) and the availability of appropriate information about them. Meanwhile, NI are the formation of such management system, which is the only basis for making financial, economic and business decisions between the communication enterprise and a partner and enables you to model, evaluate and monitor in a particular situation in a single key - focus all management processes to increase its profits. However, it is clear also that each participant data by the relationship need to take their possibly different from the other, the decision on what indicators and criteria that should be selected his leadership to achieve the objectives in the functioning and the development of relations between the communication enterprise and a partner.

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