

Artículo de investigación

Modern tools for assessing the investment attractiveness of a commercial organization**СОВРЕМЕННЫЕ ИНСТРУМЕНТЫ ОЦЕНКИ ИНВЕСТИЦИОННОЙ ПРИВЛЕКАТЕЛЬНОСТИ КОММЕРЧЕСКОЙ ОРГАНИЗАЦИИ**

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Abstract

Purpose: Within the framework of the study, a critical analysis of modern tools for assessing the investment attractiveness of a commercial organization is carried out. **Design:** the methods of economic analysis used to assess the investment attractiveness of a commercial organization are systematized; the disadvantages of the existing methodological support are identified and the criteria determining the quality and practical value of modern developments in the studied area are established. **Findings:** it is proved that the main disadvantages of the existing methods of assessing investment attractiveness are: the lack of strategic orientation of the assessment; ignoring the influence of most external and internal factors of activity; the inability to assess the risk of investing in the analyzed object; the need to compare with the level of investment attractiveness of similar organizations for an objective interpretation of the results. **Practical implications:** to eliminate the significant shortcomings of modern methodological support in this area, the authors recommend the use of scenario method of

Аннотация

Цель: В рамках проведенного исследования осуществлен критический анализ современных инструментов оценки инвестиционной привлекательности коммерческой организации. **Дизайн:** систематизированы методы экономического анализа, применяемые для оценки инвестиционной привлекательности коммерческой организации; выявлены недостатки существующего методического обеспечения и установлены критерии, определяющие качество и практическую ценность современных разработок в исследуемой области. **Полученные данные** обосновано, что основными недостатками существующих методов оценки инвестиционной привлекательности являются: отсутствие стратегической направленности оценки; игнорирование влияния большинства внешних и внутренних факторов деятельности; невозможность оценки степени риска инвестирования в анализируемый объект; необходимость проведения сравнения с уровнем

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strategic economic analysis in the process of assessing the investment attractiveness of the organization. **Originality:** The scenario method of strategic economic analysis proposed by the authors complements the existing approaches with the ability to take into account potential risks when making a far-sighted decision to invest in an organization by combining the results of retrospective analysis and forecasting changes in the quantitative and qualitative characteristics of financial and economic activity.

Keywords: Investment attractiveness, investment project, strategic economic analysis, method, evaluation.

инвестиционной привлекательности аналогичных организаций для объективной интерпретации полученных результатов. **Практические последствия:** для ликвидации существенных недостатков современного методического обеспечения в данной сфере авторами рекомендовано использование в процессе оценки инвестиционной привлекательности организации сценарного метода стратегического экономического анализа. **Новизна:** Предлагаемый авторами сценарный метод стратегического экономического анализа дополняет существующие подходы возможностью учесть потенциальные риски при принятии дальновидного решения об инвестировании в организацию путем объединения результатов ретроспективного анализа и прогноза изменения количественных и качественных характеристик финансово-хозяйственной деятельности.

Ключевые слова: инвестиционная привлекательность, инвестиционный проект, стратегический экономический анализ, метод, оценка.

Introduction (Problem statement)

In the context of the need to increase the competitiveness of Russian organizations in the world markets, more and more attention is paid to investments. Increasing the efficiency of using economic potential, developing innovations, changing the strategic course in response to the instability of external operating conditions are tasks whose implementation requires significant investments. More often it is about attracting additional financing by taking bank loan or the owner's investment, less frequently is about making a managerial decision regarding the allocation of free internal resources of the organization. In both the first and second cases, it is important to evaluate such a characteristic of a commercial organization as investment attractiveness.

Qualitative analysis of the investment attractiveness of the organization is the basis for making profitable investment decisions, the basis for ensuring reliable interaction between the source and recipient of financing, as well as a tool for the company's activities management in line with the creation of a favorable image for potential investors.

At the same time, the existing system of methods for assessing investment attractiveness does not have a clear structure, what excludes the possibility of its effective practical application (Petrushina, 2015).

Literature review (The theoretical basis of the research)

It should be noted that attempts to systematize existing methods for assessing the investment attractiveness of an organization have been made repeatedly. A. Zlobina distinguishes among the methods of assessing investment attractiveness methods of financial and economic analysis, the procedure for determining the creditworthiness of the borrower, rating evaluation (Zlobina, 2006). V. Nikitina classifies the existing instruments for investment attractiveness determination by the level of management, namely: at the level of territories, at the level of organization and individual investment projects (Nikitina, 2005). A. Shaposhnikov proposed another system of methods for assessing the investment attractiveness of business entities (Shaposhnikov, 2010). He identifies approaches to the analysis of the studied characteristics, built

on the basis of stock market indicators, official financial statements of the organization, indicators of value added or acceptable investment risks. Any of the proposed classifications can be successfully applied for the purpose of systematizing the methods for assessing the investment attractiveness of an organization, however, the problem of methodological choice that arises before business practices in finding the most relevant way to determine the significance of a particular organization as an investment object remains on the agenda. Given the variety of solutions proposed by the scientific community, in our opinion, the system of methods for assessing investment attractiveness from the point of view of their effective use should reflect information about the advantages and disadvantages of using each of the elements, about their targeting, i.e. about the type of organization for which they shown method will allow to get the most reliable result, about the composition of the necessary information support, forms of output data and the possibilities for their interpretation.

Methodology. (Methodology and research practice)

As part of the study, the analysis of modern tools for assessing the investment attractiveness of a commercial organization was carried out. System analysis, empirical research, principles of formal

logic, synthesis and analysis of theoretical and practical material were used as research tools.

Results (Research results. Study: main body)

The study of expert opinion, as well as the analysis of publications on assessing the investment attractiveness of business entities, allowed us to formulate the basic requirements for methodological support in this area, including:

- Accounting of the qualitative aspects and risks of the organization development;
- Strategic focus of results;
- Catholicity;
- Information support availability;
- Ability to be used as a basis for management decision-making;
- Relative simplicity of calculations;
- Clear scheme of interpretation of the results.

Table 1 presents the current issues of methodological support for assessing the investment attractiveness of an organization, on the basis of which, it can be argued, the modern requirements for the developed investment analysis tools are formed.

Table 1 - Modern prerequisites for the formation of methodological support for assessing the investment attractiveness of the organization.

| Issue | The essence, possible solutions |
|--|--|
| 1. Risk assessment | Modern methods have limited analytical capabilities in assessing the risks to which the organization is exposed. Instability of economic conditions forces investors to be more careful about this component of investment attractiveness. Expert judgment is becoming insufficient. |
| 2. Assessment of the qualitative aspects of the organization | The quantitative expression of the state of the qualitative aspects of business is difficult. However, for the formation of objective ideas about the level of investment attractiveness of an organization, it is necessary to take into account the influence of all possible factors. |
| 3. Strategic orientation | The modern economy is extremely unstable and subject to dynamic changes. In this regard, when assessing investment attractiveness, it is necessary to take into account not only the current achievements of the organization, but also the state of its development in the future, taking into account the influence of all possible risks and changes in all determining factors. |
| 4. Catholicity | Many existing methods are aimed at the narrow specifics of the activities of organizations in specific industries. The use of such methods inappropriately distorts assessment results. About 47% of experts are sure that each company requires an individual approach in the assessment. A description of the method transformation algorithm for a specific organization is required. |

| | |
|---|--|
| 5. Availability of information support | <p>For an objective assessment of investment attractiveness, information from various sources is taken into account, starting with financial statements and ending with media data. However, not all information is widely available to all participants in the investment process. Modern methods of assessing investment attractiveness should maximize the level of possible distortions associated with the absence of information from hard-to-reach sources when performing calculations.</p> |
| 6. Reliability | <p>Paragraphs 1-3 describe the main problems associated with the reliability of the results of evaluating investment attractiveness from the point of view of an investor or creditor. From the point of view of the organization itself, the reliability of the method will be expressed in the most accurate reflection of its capabilities in attracting financing. If, as a result of a reliable calculation, the investment attractiveness of the business is assessed as high, the company's management is absolutely confident in receiving investments. Modern methods are not tested for reliability by the organization, and therefore are partially devoid of informational significance in the management process.</p> |
| 7. Relative simplicity of calculations | <p>The simplicity of the calculations does not imply the installation of special or additional software, besides being used among the vast majority of practitioners, which means the ability of each analyst to make a calculation independently.</p> |
| 8. A clear scheme of results interpretation | <p>Not for each of the existing assessment tools is the result interpretation scale described. The most common definition is whether the investment attractiveness of an organization is high, medium, or low. But, as a rule, the presentation of the assessment methodology ends with the assignment of a certain degree. What practical significance is the presence of high or low investment attractiveness for the organization has not yet been described.</p> |
| 9. The quantitative expression of investment attractiveness | <p>Due to the differences in the interests and goals of the participants in the investment process conducting the assessment, investment attractiveness is a characteristic of the organization's activity, which has a high degree of subjectivity. The neutralization of subjectivity is facilitated by the quantitative expression of the qualitative components and the result of the assessment of investment attractiveness as a whole.</p> |

Under the assessment in this article is meant a way of establishing the significance of something for the acting and knowing subject. Thus, by assessing the investment attractiveness of the organization, the degree to which investors' expectations are consistent with the results that its activities will bring in case of investment is determined.

The analysis of developments in the field of assessing the investment attractiveness of an

organization allowed the authors of this research to present the classification of existing approaches in the form of a table (Table 2). At the same time, by traditional methods we mean the most widespread methods for assessing the effectiveness of investments, most of which involve the use of economic analysis, while the innovative methods are based on the achievements of other areas of science, in particular mathematics.

Table 2 - The system of methods for investment attractiveness assessment of commercial organization.

| By degree of subjectivity | | | By the assessment technique |
|--|-----------------------------------|--|-----------------------------|
| Quantitative | | Qualitative | |
| Statical | Dynamical | | Traditional |
| | Using simple discounted cash flow | Using extended discounted cash flow | |
| Methods based on the analysis of the financial state of the organization | Weighted average cost of capital | - | |
| Calculation of a simple payback period | Net present value | Benchmarking | |
| Calculation of the maximum funding requirement | Present value | Group expert techniques | |
| Simple income index | Discount payback period | Morphological methods | |
| Operating leverage | Internal rate of return | Compliance of project objectives with business environment prospects and other | |
| Financial leverage | Investment duration | | |
| other | other | | |
| System dynamics method | - | Complex method based on real options analysis and game theory | |

Discussion

From the point of view of E. I. Krylov, V. M. Vlasova, M. G. Egorova, the investment attractiveness of the organization depends on its financial condition and the level of innovation activity within its strategic development (Krylov, Vlasova, Egorova 2003). Therefore, during the study of investment attractiveness it is necessary to determine:

- Efficiency of use of the organization's
- Production profitability;
- Product quality and competitiveness;
- Production innovativeness level;
- Financial stability, liquidity and creditworthiness of the organization (financial condition).

To obtain an objective view of the state of the organization, it is important to correlate the calculated indicators with normative values. At

the same time, economic analysis is a tool for assessing the investment attractiveness of the organization. With its help, the degree of influence of various factors on the level of investment attractiveness is studied, intra-company reserves for its increase are identified, and mechanisms for their use are developed.

In the case where investments in the organization are considered as financing of a separate investment project, the assessment of its investment attractiveness will involve determining the degree of compliance of the effectiveness of investments, given in the financial plan, with the expectations of potential investors. Thus, among the methods used to assess the investment attractiveness of a commercial organization, it is rightfully possible to include the methods used in relation to investment projects.

Evaluation of the investment attractiveness of the project precedes the decision on the feasibility of investment. This occurs at the development stage and includes the following types of analysis:

- Technical;
- Marketing analysis;
- Institutional;
- Social;
- Ecological;
- Economic;
- Financial.

At the same time, the results of economic and financial analysis are the main basis for deciding on the feasibility of making investments. Economic analysis allows to get a picture of the overall effectiveness of the project. Financial analysis evaluates the project in terms of the adopted financing scheme and the financial condition of its participants.

M. V. Charaeva notes that the assessment of the investment attractiveness of the organization solely from the point of view of its financial condition is not objective enough, since it does not take into account the influence of many factors that determine its activities, and proposes to expand the analysis by quantifying the factors of investment attractiveness (Charaeva, 2011).

Investment attractiveness of real investment objects, which include commercial organizations, is determined by investment performance indicators. These include gross income, revenue, profit, or net profit relative to the resources expended, depending on the task. Existing methods of assessing investment attractiveness differ in sets and content of indicators and performance criteria used and methods of analysis. The latter are divided into static and dynamic – taking into account the time factor. Both of these groups A. P. Garnov, and O. V. Krasnobaeva refer to quantitative methods of evaluating the project effectiveness (Garnov and Krasnobaeva, 2013).

Currently, foreign economists noted the short-sightedness of the approach to the evaluation of investment projects using quantitative methods, which are based on the principle of discounting cash flows. They are effective in deciding on passive investments in a sustainable environment in which the course of cash flows can be accurately determined. Where management has the ability to control expected cash flows and review future decisions, especially when it comes to growth options, traditional quantitative methods of valuation reveal a number of

disadvantages. Professors H. Smith and L. Trigeorgis offer a comprehensive approach based on a combination of real options analysis and game theory (Smith and Trigeorgis, 2004). It views the organization's growth opportunities as a set of corporate real options that it actively manages and can influence and be influenced by competitive actions.

Domestic scientists also note the prospects of using the real options method. It aims to "determine the value of change management rights for flexible investment projects and strategic risk insurance. Any investment opportunity of the company can be considered as a financial option to create or acquire assets for some time."

Along with quantitative, there are also qualitative methods of selection of the most effective investment projects. They are based on expert opinion. For this reason, the results of the application of qualitative methods of assessment have a high degree of subjectivity and are used in limited circumstances: when required quick decision-making or to assess compliance of the projects considered strategic and tactical goals of the company in the development stage. In addition, the use of qualitative methods of evaluation can result in high costs for the organization, as it requires the involvement of highly qualified specialists.

One of the innovative ways to assess the investment attractiveness of a commercial organization is the method of systematical dynamics. One of the innovative ways to assess the investment attractiveness of a commercial organization is the method of system dynamics. The offered model assumes consideration of this characteristic as part of system of strategic planning of the organization. The study of the main cause-and-effect relationships that form a commercial organization has helped to reveal a number of important indicators that determine the degree of its investment attractiveness. At the same time, its assessment is based on an integral characteristic that takes into account the presence or absence of positive dynamics of the criteria under consideration. This method of analysis of investment attractiveness is quite flexible, as it allows to build a unique model that takes into account the peculiarities of the functioning of a particular organization. It is also highly accurate by taking into consideration a large number of factors that determine the state and prospects of the company. However, this high level of detail makes the model, built on the basis of the method of system dynamics, somewhat cumbersome.

The author of the above approach notes its complexity, as well as the inability to develop with its help a universal system that allows to conduct a qualitative assessment of the investment attractiveness of organizations of various types.

Implementations and Conclusion

It should be noted that at the present stage, quantitative traditional methods of assessing the investment attractiveness of a commercial organization operate with performance indicators or trends based on the results of retrospective economic analysis. Such information does not take into account the impact of a large number of difficult to predict external factors, including changes in the competitive environment, the sensitivity of the company's finances to exchange rates, etc. In addition, the abundance of approaches, some of which are based on complex mathematical calculations, makes the decision-making process of investing laborious and time-consuming.

In this regard, we believe it is important to use special methods based on the principles of strategic economic analysis, which includes a set of the most important strategic indicators, the calculation of which is presented in different versions, taking into account the influence of external and internal factors.

The compilation of various combinations of factor influence and possible levels of risk allows to determine what will be the economic results of economic activity for each alternative of the predicted future. This feature of the scenario method is able to satisfy the interests of any participants in the investment process in the course of assessing the investment attractiveness of the organization in the framework of achieving various goals. The role of analysts in this case is to choose the most optimal scenario for the company under given conditions at any given time.

Creating a methodology for strategic analysis for each specific organization will have its own characteristics. In this regard, it cannot be claimed that the technology for assessing the investment attractiveness of the organization,

based on strategic economic analysis, will have a universal character. However, it will undoubtedly be in demand: for external users – as a tool for assessing the investment attractiveness of the organization, for internal – as a mechanism for rapid response to changes in the business environment.

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