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# CONSULTING AS A PROSPECTIVE FIELD OF ACTIVITY IN UKRAINE

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The article is devoted to the study of the "consulting" category as a promising field of activity in Ukraine. It was noted that the development of modern society, which is undergoing significant transformations, requires new approaches and visions for a large number of problems arising in certain spheres. Today, all branches of the economy, all management activities carried out in the public sphere, need a new vision and critical assessment by highly qualified specialists who have relevant knowledge in one or another field. Consulting services, which have gained significant distribution abroad, for our state, are the direction of activity that can become an effective means of successful development of many spheres of Ukrainian society.

Scientific views on the understanding and content of consulting, the importance of the development of consulting activity in today's conditions are considered. Attention is drawn to the fact that the consulting service, as a fairly new field of application, has a number of characteristic features, which, according to scientists, consist, first of all, in the fact that it is an intellectual, creative activity of an individual, which is carried out exclusively by subjects of entrepreneurial activity on a paid basis, the useful result of which may not always coincide with the expected one.

Consulting activity is considered as a modern management tool, which today is in demand in many spheres of society's life. Special interest and need in consulting activities are now felt by almost all branches of the economy. Nevertheless, consulting services are quite actively used in the sphere of state administration and local self-government, as a strong basis for timely and correct management decision-making. Obviously, given the prevalence and demand for consulting services, it is expedient to adopt the appropriate legal basis for the operation and development of domestic consulting companies.

Key words: consulting; consulting services; consulting activity; legal regulation of consulting activity; features of consulting; scope of consulting; consulting companies.

Formulation of the problem. The development of modern society, which is undergoing significant transformations, requires new approaches and visions for a large number of problems arising in certain areas. Today, all branches of the economy, all management activities carried out in the public sphere, need a new vision and critical assessment by highly qualified specialists who have relevant knowledge in one or another field. Consulting services, which have gained significant distribution abroad, for our state are the direction of activity that can become an effective means of successful development of many spheres of Ukrainian society. Considering this, considering consulting as a promising field of activity in Ukraine presupposes the need for scientific research in this field.

# Consulting as a prospective field of activity in Ukraine

**State of problem research.** Questions that in one way or another affect consulting activities are quite new in domestic legal science. Instead, certain aspects of this problem were highlighted in the works of O. Grabarchuk, V. Verba, M. V. Kolomiets, T. Rybakova, O. Sukmanova, Yu. Chernov, G. Sharkova, and others.

The purpose of the article is to clarify the essence of the "consulting" category and to outline the issues regarding the further development of the field of consulting services.

**Presenting main material.** When studying the issue of consulting, in particular in the field of public administration, and determining its content, first of all, it is worth turning to its meaning, which is presented in reference and encyclopedic literature. Thus, the Great Explanatory Dictionary of the Modern Ukrainian Language defines the term "consulting" as: 1. Consulting services, consulting activities. 2. Preparation of packages of founding documents when creating new organizations [1, p. 565].

In the financial and economic dictionary, the term "consulting" is interpreted as: 1. Providing consultations to producers, sellers and buyers on the activities of enterprises, firms, organizations, in particular in the foreign economic sphere. Consulting firms provide services related to market research and forecasting, assessment of trade and political conditions of export-import operations, technical and economic justifications for objects of international cooperation and creation of joint ventures, formation of export strategy, conducting marketing research, analysis of financial and economic activity of the enterprise, and also make up the characteristics of specific markets. 2. Preparation of packages of founding documents for the establishment of enterprises and assistance in their registration [2, p. 348].

Considering consulting and outsourcing as modern enterprise management tools, T. Savchenko and A. Yaroshyna point out that the term "consulting" comes from the English word "consulting" (Ukrainian – consulting). Scientists note that there are many definitions of consulting, but in their opinion, the definition provided by Stephanie Lam is the most meaningful: "Consulting is an activity carried out by professional consultants and aimed at meeting the needs of commercial and non-commercial organizations, individuals in consulting, training, research work on the problems of their functioning and development" [Cit. for: 3, p. 10].

At the same time, T. Savchenko and A. Yaroshyna draw attention to the fact that the market of consulting services began to develop rapidly in the West, and above all in the USA, back in the 1930s. The most significant trends for the world economy in recent decades, including the accelerated internationalization of all major types of economic activity, deregulation, periodic waves of giant transnational mergers and acquisitions of corporations, significant volatility of world financial markets, the introduction and periodic changes of information technologies, and the rapid growth of the Internet and of electronic business connected with it – all these factors determine the complexity and growth of the dynamics of changes in the business environment. In such conditions, the requirements for the quality of the process of forming key management decisions also increase. Before the owners and managers of enterprises there is a question about finding ways to optimize business management, as well as solving the issue of improving the qualifications of personnel [3, p. 10].

Analyzing the essence and features of consulting in modern educational activity, L. Skrypnyk draws attention to the fact that scientists single out several trends that determine the current development of consulting services, among them:

- technical progress, which leads to the complication of relations in the spheres of social interdependence, ensuring well-being, quality of education, leadership training, decision-making, etc. As a result of these processes, the need for cooperation and interaction between individuals and social groups increases;
- crisis of human resources or their irrational use. This concerns the problems of insufficient consideration of the characteristics of ethnic minorities, the gender factor, people of different age groups, in particular young people and the elderly, people with disabilities, citizens without education;

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– availability of consulting potential of employees of various ranks. This is evident in the fact that many of these workers have the potential skills of teachers, instructors, consultants, trainers, advisors and, with appropriate training, can perform the functions of internal consultants in their organizations and social groups [4, p. 36].

On the other hand, V. Lyshenyuk draws attention to the fact that today there is no clear definition of the concept of "consulting activity" in the current legal acts. At the same time, it is emphasized that certain laws and draft laws operate with this concept or related concepts (for example, consulting services), but only in a narrow (specialized) sense and do not contain a clear definition of such concepts [5, p. 44].

A similar thesis is developed by O. Tur, emphasizing that the provision of consulting services in modern conditions of social development is becoming more and more in demand. It is an absolute fact that the field of public relations in the field of consulting is continuously expanding and, taking into account the marketability of relations, has significant prospects for development. However, the development of the field of consulting services in Ukraine lags behind the similar process in foreign countries. Until now, there is no such category of services as an object of legal regulation in civil legislation. The development of the principles of legal regulation of the provision of consulting services is at an initial stage. Moreover, the lack of special legal regulation of consulting services, taking into account their characteristic features, including the absence of clear requirements for the content of consultations, leads to shortcomings in consulting services and the occurrence of negative consequences. In this regard, the problem of legal regulation in the field of consulting services becomes especially important, in particular, the legislative definition of the concept of "consulting service", its characteristic features and the definition of the scope of consulting services [6, p. 15].

According to the opinion expressed by the aforementioned V. Lyshenyuk, the concept of "consulting" can be interpreted as the involvement of specialists who are professionals in a certain field, to obtain recommendations on identifying and solving problems that arise before the customer, during the implementation of his activities. Thus, consulting and consulting activity are characterized by certain similar features, in particular the following:

- 1) the same purpose of activity, namely the involvement of professionals to provide advice and recommendations on a certain issue;
  - 2) contractual and professional nature of activity;
  - 3) a special field of consulting services.

However, it is worth paying attention to the fact that consulting can also be carried out on a free basis, so the subject of providing consulting services may not have the primary goal of making a profit. In view of this, the researcher suggests distinguishing between the concepts of consulting and consulting activity based on the sign of payment [5, p. 46].

Analyzing the state of implementation of consulting projects on the domestic and global markets, M. Bortnikova notes that Ukrainian consulting companies operating on the domestic consulting market provide a wide range of consulting services, such as management consulting, project consulting, PR consulting, fund consulting, IT consulting, anti-crisis consulting, marketing consulting, educational consulting, financial consulting, legal consulting, HR consulting. Consulting services are specific activity products. They are intangible, imperceptible and, as a rule, do not have a material form, and therefore the proposed solutions during the implementation of a consulting project may be the same, but may differ in form, development and content. The client can see the result of the provided service only at the end of the consulting project, and can see it gradually, in the process of implementation [7, p. 30].

The basic reasons for the formation of consulting as a specific field of activity include: the emergence of simple technological approaches to the provision of consulting services in the field of business development by experts; emergence and dissemination of effective methods of external consulting and expertise; increasing the need to involve external experts (consultants) due to the impossibility of quickly independently responding to new market situations or internal difficulties of the company.

# Consulting as a prospective field of activity in Ukraine

Analysis of the consulting service as a market product in the economic sphere is based on its consumer (client) perception. Here, its uniqueness and specificity are determined. In this regard, to clarify the essence of consulting, three components should be identified, which in almost all cases determine this essence. Consulting as a service, investment, intellectual resource. These components can be inherent in consulting in various combinations [5, p. 46].

In the context of our research, it is worth noting that consulting activity today is considered as an integral infrastructural component of the market economic system, a powerful area of the economy of many developed countries, the leading role of which is connected with the essence of the intellectual product created by consulting companies for client organizations with the aim of strengthening their competitive advantages, contributing to the mobilization of potential and the use of existing opportunities to improve business efficiency.

The rapid growth of the number of consulting organizations and the breadth of the range of their products imposes special requirements on the quality of services, and requires a clear definition of the boundaries of the consultant's profession. In modern conditions, increasing the professionalism and quality of services are becoming a defining task of the consulting market. Only thanks to a high professional level and constant efforts aimed at its improvement, a consultant is able to effectively use the growth in demand for consulting services [8, p. 46].

The characteristic features of the consulting service are:

- result of consulting service intellectual, creative activity of a natural person;
- consulting services are provided exclusively by business entities;
- paid nature of the consulting service;
- lack of a completed material form;
- exclusivity of the service;
- inseparability of the service from its service provider;
- the impossibility of providing consulting services by third parties;
- the quality of the provision of consulting services is not clearly defined;
- the useful result of the provided consulting service does not always coincide with the expected one;
- the onset of a useful result is possible after a certain period of time [5, p. 48].

Given the high demand for consulting services, the number of providers of these services is growing. All consulting companies can be classified as follows:

- depending on the size and scale of the companies' activities: large companies ("big four")
   operating worldwide, medium and small companies (operating in one country or a certain region of the country), companies consisting of one or more persons (most often such consultants combine the main activity with teaching in universities and specialized courses);
- depending on the field of activity: companies engaged only in consulting (most companies at the moment), companies engaged in consulting and auditing ("big four"), companies engaged in consulting and scientific management, for example, the development of new theories ("thought factories" "Bain & Z", McKinsey, BCG);
- subject-oriented companies that deal only with certain management issues (marketing, personnel management or financial management) [8, p. 48].

Turning to the problem of legal regulation of consulting activity in Ukraine, M. Kolomiets notes that in our country there is no regulatory and legal regulation of consulting activity at all levels, in particular at the statutory level. This situation arose due to the fact that consulting is a multifaceted category that includes various types of consulting, levels of its implementation, as well as areas of implementation. Therefore, it is not enough to adopt a law or a resolution, since the specific features inherent in such activities will not be taken into account. According to the researcher, it should be a complex act like "fundamentals of legislation" or a code with the use of available means of generalization of legal norms, such as codification, incorporation or consolidation [9, p. 52].

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The main reasons that negatively affect the formation of the Ukrainian consulting market are: a difficult macroeconomic situation; unpopularity of consulting services in the country; lack of a legal framework for consulting activities; lack of methodological support regarding the criteria for assessing the usefulness of consulting; decrease in business activity of enterprises; low solvency of customers of consulting services; low percentage of guarantees of specific results and positive effect from counseling; lack of experience of enterprises in working with professional consultants, etc.

Despite the above-mentioned problems, the development of consulting in Ukraine has real prospects. A gradual increase in the demand for the services of consulting organizations is expected in the near future as both consulting firms and customers of their services are ready for innovations, the search for new products and markets, assimilation and implementation of time-tested world experience [10, p. 57].

**Conclusions.** Summarizing the above, we can state that consulting is one of the promising types of activity, which today is becoming in demand in many spheres of life in society. Special interest and need in consulting activities are now felt by almost all branches of the economy. Nevertheless, consulting services are quite actively used in the sphere of state administration and local self-government, as a strong basis for timely and correct management decision-making.

Obviously, given the prevalence and demand for consulting services, it is expedient to adopt the appropriate legal basis for the operation and development of domestic consulting companies.

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### КОНСАЛТИНГ ЯК ПЕРСПЕКТИВНА СФЕРА ДІЯЛЬНОСТІ В УКРАЇНІ

У статті досліджено категорію "консалтинг" як перспективну сферу діяльності в Україні. Зазначено, що розвиток сучасного суспільства, яке зазнає істотних перетворень, потребує нових підходів та поглядів на велику кількість проблем, що виникають у тих чи інших сферах. Сьогодні усі галузі економіки, вся управлінська діяльність, що здійснюється в публічній площині, потребують нового бачення та критичного оцінювання з боку висококваліфікованих фахівців, які мають відповідні знання у тій чи іншій сфері. Консалтингові послуги, що набули поширення за кордоном, для нашої держави є тим напрямом діяльності, який може стати ефективним засобом успішного розвитку багатьох сфер українського суспільства.

Розглянуто наукові погляди на розуміння та зміст консалтингу, важливість розвитку консалтингової діяльності в умовах сьогодення. Звернено увагу на те, що консалтингова послуга як доволі нова сфера прикладання має низку характерних особливостей, які, на думку вчених, полягають передусім у тому, що це інтелектуальна, творча діяльність фізичної особи, яку здійснюють виключно суб'єкти підприємницької діяльності на оплатній основі, корисний результат якої не завжди збігається з очікуваним.

Консалтингову діяльність розглянуто як сучасний управлінський інструмент, що сьогодні стає затребуваним у багатьох сферах життєдіяльності суспільства. Особливий інтерес і потребу в консалтинговій діяльності нині відчувають фактично усі галузі економіки, хоч консалтингові послуги доволі активно використовуються й у сфері державного управління та місцевого самоврядування як вагоме підґрунтя для своєчасного і правильного прийняття управлінських рішень. Вочевидь, з огляду на поширеність та затребуваність консалтингових послуг, доцільно прийняти відповідну законодавчу основу для функціонування та розвитку вітчизняних консалтингових компаній.

Ключові слова: консалтинг; консультування; консалтингові послуги; консалтингова діяльність; правове регулювання консалтингової діяльності; особливості консалтингу; сфера застосування консалтингу; консалтингові компанії.