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02:00-04:00 PM	**Iryna Burlakova** Doctor of Sciences (Psychology), Associate professor, East-Ukrainian National University named after Volodymyr Dahl, professor of the Department of Practical Psychology and Social Work, Severodonetsk, Ukraine **CORPORATE WELL-BEING AS THE ENERGY OF BUSINESS**
December 04-05, 2020	*Discussion of the results of the conference and testing of knowledge gained during the workshop*

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INTRODUCING EFFECTIVE CORPORATE GOVERNANCE - A WAY TO ATTRACT AN INVESTOR

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One of the key factors in the success of the business structure is effective corporate governance.

Corporate governance is an activity aimed at achieving an optimal balance of interests of all parties: shareholders, management, customers, suppliers, creditors, the state and society [1].

Given the fact that the list of areas of coverage includes a set of areas and industries, it is important to ensure control of all processes without exception, namely: planning, organization of the enterprise; the procedure and completeness of information disclosure and at the same time protection of this information from misuse; formation and efficiency of using the potential of the enterprise, in particular human capital (formation of the motivational mechanism); system of relationships with suppliers, customers and business partners (including government institutions and investors), etc.

All this requires a certain resource that will ensure the performance of corporate governance functions.

Today, most Ukrainian enterprises choose a joint-stock organizational and legal form - this to some extent facilitates the process of attracting investors, both domestic and foreign.

The formation of the corporate governance system of joint stock companies in Ukraine is carried out in accordance with the Law of Ukraine "On Joint Stock Companies" and other legal, methodological recommendations and documents in this area, adopted by the National Commission on Securities and Stock Market [1]. In addition, joint-stock companies that aim to attract a foreign investor in the future, when forming a corporate governance system should take into account the main provisions set out in the Principles of Corporate Governance of the Organization for Economic Development and Cooperation.

Given the rapid socio-economic changes that occur under the influence of macro- and micro-factors, in the business environment of Ukraine in the implementation of corporate governance formed certain expectations. Increases interest in this issue and the fact that due to a number of amendments to the Law of Ukraine "On Joint Stock Companies" (in addition, it should be set out in a new version) [3]. Thus, among the main expectations that can positively affect the investment climate and investment attractiveness of Ukrainian business, the following [2]:

1. Introduction of a one-tier corporate governance system. The new bill proposes to allow the majority of joint stock companies to choose a system of corporate governance - one or two levels. In addition, most companies will be able to

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independently choose a system of corporate governance (except for banks, state-owned companies - only a two-tier system).

2. Changing the algorithm for determining the market value of shares. In particular, it is proposed to change the approaches to determining the market value, namely by setting a lower level of value - the value of net assets. This means that the value of 100% of the shares cannot be less than the equity. Again, this will make it easier for the investor to find more attractive places to invest. Since to determine the investment attractiveness will not need to make a number of calculations to determine the real value of the business.

3. Change in the value of shares in the event of a squeeze-out. In our opinion, the introduction of the concept of "competing requirement" in Ukraine will be a stimulating factor.

4. Providing the opportunity to hold an electronic general meeting of shareholders. This normative legal act proposes to introduce the possibility to choose the method of voting - face-to-face or electronic [2].

According to the observations of experts, this is a common practice in international practice. But, as always, it is necessary to take into account the peculiarities of Ukrainian realities, namely the availability of both technical means and, above all, high-quality Internet coverage.

5. Strengthening the level of liability of officials for damages. The main content - the officials of the JSC must reimburse the company for damages caused to it, in the event that these losses arose as a result of actions not in the interests of the company.

6. Introduction of the position of corporate secretary This practice is inherent in Ukrainian enterprises over the past 10 years - from the understanding of these specialists as a corporate secretary, to the concept of professional corporate lawyers.

7. Reorganization of joint stock companies with additional restrictions. In particular, only a joint-stock company will be able to join a joint-stock company.

8. Reducing the threshold of ownership of shares (shares) - from 10% to 5%, as well as providing the opportunity to file derivative claims by participants (shareholders) who collectively own 5% of the shares. In our opinion, this will stimulate the involvement of the private sector in the investment process.

9. Empowerment of corporate agreements, which is traditional for international practice. However, Ukrainian business is still cautious about this tool. But the spread of globalization processes and the internationalization of business are increasingly contributing to the spread of the practice of concluding corporate agreements, including with foreign investors. Thus, with such a document, the investor will feel more secure and will have an incentive to invest resources for a longer period.

10. Electronic accounting of shares of LLC - this will allow the owners of LLC (TDV) to transfer the accounting of all their corporate rights (shares) to the National Depository of Ukraine. To some extent, this will be an additional mechanism to protect the share from raider actions. For the investor, this is a positive signal in terms of transparency of investments and, as a result, some protection.

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Thus, the introduction of an effective corporate governance system with effective and fair regulatory support, in our opinion, will contribute to: increasing the level of investment attractiveness not only of a particular enterprise and industry, but also the country as a whole; will encourage investors to invest in the medium and long term; increasing the level of confidence of foreign investors.

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