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SEMENOVA Kateryna

Odesa National Economic University

<https://orcid.org/0000-0002-1613-7218>

e-mail: ka_sta@ukr.net

ORGANIZATION AND METHODOLOGY OF COST ANALYSIS TO ENSURE INCREASED EFFICIENCY OF ENTERPRISE ACTIVITY

The article examines the theoretical and practical aspects of the organization and methodology of enterprise cost analysis as one of the key tools for improving the efficiency of business activities. It is substantiated that costs play a decisive role in shaping the financial results of an enterprise and significantly affect its competitiveness, profitability, and financial stability. In this context, the need to improve approaches to cost analysis becomes particularly relevant under conditions of rising resource prices, increasing competition, and economic instability.

The study generalizes scientific approaches to understanding the essence of enterprise costs, considers their main classification features, and determines the place of cost analysis within the enterprise management system. The organizational principles of conducting cost analysis are revealed. Particular attention is paid to modern methodological approaches to cost analysis, and their importance for making effective managerial decisions is substantiated.

The main problems of the practical application of cost analysis at domestic enterprises are identified, including insufficient detail of information, limited use of management accounting tools and modern analytical technologies, as well as weak integration of cost analysis into the system of strategic management.

The practical part of the study is based on the analysis of costs of a Ukrainian industrial enterprise – PJSC "Odeskabel". The results reveal a tendency towards an increase in total costs and a high level of material intensity of production, which necessitates the improvement of resource management approaches.

Based on the findings, directions for improving the organization and methodology of enterprise cost analysis are proposed. These include enhancing the quality of information support, developing management accounting systems, implementing modern digital analytical tools, and applying economic and mathematical methods for cost forecasting. Prospects for further research are outlined, particularly in adapting analytical approaches to the conditions of the digital economy and strengthening the role of strategic cost management.

Keywords: enterprise costs, cost analysis organization, cost analysis methodology, cost management, efficiency, production cost, economic analysis.

СЕМЕНОВА Катерина

Одеський національний економічний університет

ОРГАНІЗАЦІЯ І МЕТОДИКА АНАЛІЗУ ВИТРАТ ДЛЯ ЗАБЕЗПЕЧЕННЯ ПІДВИЩЕННЯ ЕФЕКТИВНОСТІ ДІЯЛЬНОСТІ ПІДПРИЄМСТВА

У статті досліджено теоретичні та практичні аспекти організації і методики аналізу витрат підприємства як одного з ключових інструментів забезпечення підвищення ефективності його господарської діяльності. Обґрунтовано, що витрати відіграють визначальну роль у формуванні фінансових результатів підприємства, впливають на рівень його конкурентоспроможності, рентабельності та фінансової стійкості. У зв'язку з цим особливої актуальності набуває необхідність удосконалення підходів до їх аналізу в умовах зростання вартості ресурсів, посилення конкуренції та нестабільності економічного середовища.

Узагальнено наукові підходи до трактування сутності витрат підприємства, розглянуто їх основні класифікаційні ознаки та визначено місце аналізу витрат у системі управління підприємством. Розкрито організаційні засади проведення аналізу витрат. Значну увагу приділено характеристиці сучасних методичних підходів до аналізу витрат, а також визначено їх значення для прийняття ефективних управлінських рішень.

Проаналізовано основні проблеми практичного застосування аналізу витрат на вітчизняних підприємствах, серед яких недостатній рівень деталізації інформації, обмежене використання інструментів управлінського обліку та сучасних аналітичних технологій, а також недостатня інтеграція аналізу витрат у систему стратегічного управління.

Практична частина дослідження базується на аналізі витрат одного з провідних промислових підприємств України – ПАТ «Одескабель». Дослідженням встановлено тенденцію до зростання загального обсягу витрат на підприємстві, високу матеріаломісткість виробництва, що потребує удосконалення підходів до управління ресурсами.

На основі отриманих результатів обґрунтовано напрями вдосконалення організації та методики аналізу витрат підприємства, які передбачають підвищення якості інформаційного забезпечення, розвиток системи управлінського обліку, впровадження сучасних цифрових інструментів аналізу та використання економіко-математичних методів прогнозування витрат. Окреслено перспективи подальших досліджень у даному напрямі, що пов'язані з адаптацією аналітичних підходів до умов цифрової економіки та посиленням ролі стратегічного управління витратами.

Ключові слова: витрати підприємства, організація аналізу, методика аналізу, управління витратами, ефективність діяльності, собівартість, економічний аналіз.

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PROBLEM STATEMENT IN GENERAL FORM AND ITS CONNECTION WITH IMPORTANT SCIENTIFIC OR PRACTICAL TASKS

The efficiency of any enterprise largely depends on cost management, which directly affects its financial results, competitiveness, and sustainability of development. The rising cost of resources, increasing competition, instability of the market environment, and ongoing digitalization processes necessitate the improvement of approaches to the organization and methodology of cost analysis.

The problem lies in the insufficient adaptability of existing cost analysis methods to modern operating conditions of enterprises, limited information support, as well as inadequate integration of analytical procedures into the strategic management system. This complicates the timely identification of cost optimization reserves and the making of effective managerial decisions.

This issue is of significant scientific and practical importance, as it requires further development of theoretical and methodological foundations of cost analysis, as well as the creation of applied tools aimed at improving the efficiency of enterprise resource utilization. The study of costs in the context of real operating conditions of enterprises is of particular relevance, as confirmed by the analysis of costs at one of the leading industrial enterprises of Ukraine, PJSC "Odeskabel."

ANALYSIS OF RECENT RESEARCH AND PUBLICATIONS

A number of works by domestic and foreign scholars and practitioners are devoted to the organization and methodology of economic cost analysis. In particular, Yu. Nikoliuk and O. Lopatovska believe that ensuring effective performance and financial stability of a business entity requires timely and high-quality analysis [1]. N. Bondarenko and O. Bobyr emphasize that the methodology of cost analysis depends on management objectives [2]. O. Hryhorevska highlights the staged nature of cost analysis and stresses the need to assess its effectiveness [3]. G. Abramo and C. D'Angelo demonstrate the importance of quantitative methods in cost analysis and resource efficiency evaluation [4].

IDENTIFICATION OF PREVIOUSLY UNRESOLVED PARTS OF THE GENERAL PROBLEM ADDRESSED IN THE ARTICLE

Despite the significant number of scientific works and substantial achievements in the field of enterprise cost research, a number of key aspects of their organization and analysis methodology remain insufficiently explored and require further development. In particular, issues such as improving the information support of analysis, adapting existing methodologies to modern business conditions, and increasing the accuracy of cost evaluation and forecasting remain relevant.

There is a growing need to develop new approaches to cost analysis that take into account the impact of digitalization, market uncertainty, and intensifying competition. This necessitates further research aimed at developing effective methodological tools, improving existing approaches, and identifying promising directions for optimizing enterprise costs.

FORMULATION OF THE ARTICLE'S OBJECTIVES

The aim of the article is to study the theoretical and practical aspects of the organization and methodology of enterprise cost analysis, to substantiate their role in the system of business activity management, and to develop directions for improving analytical approaches in order to enhance the efficiency of enterprise operations under modern economic conditions.

In accordance with the stated aim, the article specifies the following objectives: to generalize theoretical approaches to the essence of enterprise costs and their classification; to examine the organizational foundations of cost analysis within the enterprise management system; to раскрыть methodological approaches to cost analysis and assess their practical application; to identify the main problems and shortcomings of the existing cost analysis practices; and to substantiate directions for improving the organization and methodology of cost analysis in order to increase the efficiency of enterprise activities.

PRESENTATION OF THE MAIN MATERIAL

In modern economic science, enterprise costs are considered as the monetary expression of the total resources used in the process of production and sale of products. According to National Accounting Standard (Regulation) 16, costs are defined as a decrease in economic benefits in the form of disposal of assets or an increase in liabilities, which leads to a reduction in the equity of the enterprise [5].

In scientific literature, there are several approaches to interpreting the essence of costs: the resource-based, functional, and managerial approaches. The resource-based approach focuses on the consumption of production factors; the functional approach emphasizes the role of costs in forming the cost of production; and the managerial approach highlights their importance for decision-making [6].

The basis of cost analysis is their classification. Costs are classified according to various criteria: economic elements (material costs, labor costs, etc.), cost items, the method of attribution to production cost (direct and indirect),

behavior in relation to production volume (fixed and variable), and others. Such a multifaceted classification enables comprehensive cost analysis and effective cost management [7].

The organization of cost analysis involves determining its subjects, objects, information support, and methods of implementation. The subjects of analysis include financial services, economic departments, and enterprise management, while the objects are costs by their types, elements, and responsibility centers. An important role is played by the formation of an internal reporting system that ensures the timeliness and reliability of information.

Effective organization of cost analysis requires the integration of financial, managerial, and accounting systems, which makes it possible to obtain a comprehensive assessment of costs and ensure their control at all levels of management.

Methodological approaches to cost analysis include horizontal, vertical, factor, marginal, and standard (normative) analysis. Horizontal analysis makes it possible to assess cost dynamics over time, vertical analysis examines their structure, and factor analysis determines the influence of individual factors on changes in costs. Marginal analysis is of particular importance, as it is based on dividing costs into variable and fixed components and allows for determining the break-even point and the optimal production volume [8].

The practical application of these methods makes it possible to identify reserves for cost reduction, optimize the cost structure, and improve the efficiency of resource utilization at the enterprise.

Despite the wide range of methodological approaches, the practice of cost analysis at domestic enterprises is characterized by a number of problems. Among the main shortcomings are: insufficient level of information detail, a predominant focus on financial accounting data, the absence of a management accounting system, and limited use of modern analytical tools. In addition, there is insufficient integration of cost analysis with the strategic management process, which reduces its effectiveness as a decision-making tool [9].

Taking into account the generalized theoretical provisions regarding the essence of costs, their classification, as well as the organizational and methodological foundations of analysis, it is appropriate to proceed to the consideration of practical aspects of implementing these approaches at a specific enterprise.

The practical testing of theoretical and methodological provisions makes it possible not only to verify their applied value but also to identify specific features of cost formation inherent to a particular business entity. In this context, the activities of PJSC “Odeskabel” are of particular interest, as it operates in the manufacturing sector and is characterized by high material intensity of production. The enterprise produces goods not only for the domestic market but also actively engages in export activities even during wartime in Ukraine.

The transition to the analysis of costs at PJSC “Odeskabel” makes it possible to study the peculiarities of their structure, dynamics, and formation under real operating conditions. This, in turn, will contribute to assessing the efficiency of resource utilization, identifying problematic aspects in the cost management system, and substantiating directions for their optimization. Thus, further analysis will be aimed at studying the composition, structure, and dynamics of enterprise costs, as well as evaluating the effectiveness of their management from the standpoint of modern methodological approaches to economic analysis.

Costs are analyzed in two directions: depending on where they were allocated and which specific elements were consumed. Therefore, we will first conduct an analysis of the operating costs of PJSC “Odeskabel,” which will provide an understanding of where the enterprise’s costs are directed (Table 1).

Table 1

Dynamics of Operating Expenses of PJSC “Odeskabel”

Indicator	2023, thousand UAH	2024, thousand UAH	Deviation	
			thousand UAH	%
1. Cost of goods sold (production cost)	1518638	1960868	442230	29,1
2. Administrative expenses	140147	149814	9667	6,9
3. Selling expenses	101747	120527	18780	18,5
4. Other operating expenses	67912	80552	12640	18,6
5. Financial expenses	85368	81967	-3401	-4,0
6. Losses from equity participation	-	-		
7. Other expenses	17722	48851	31129	175,7
Total operating expenses	1931534	2442579	511045	26,5

Source: calculated based on data [10]

The analysis of the composition and dynamics of enterprise costs for 2023–2024 indicates significant changes both in the total volume of expenses and in their components. The total amount of operating expenses of PJSC “Odeskabel” in 2024 compared to 2023 increased by UAH 511.0 million, or 26.5%, reaching UAH 2,442.6 million.

The largest share of expenses is traditionally occupied by the cost of production, which in 2024 increased by UAH 442.2 million, or 29.1% compared to 2023. This trend was primarily driven by an increase in production volumes, rising prices for raw materials and energy resources, as well as higher labor costs. Given the dominant share of production cost in the overall cost structure, it is the key factor behind the total increase in enterprise expenses.

Administrative expenses increased by 6.9%, indicating relative stability in management processes. At the same time, selling expenses and other operating expenses grew by approximately 18%, which may be associated with

intensified sales activities and an increase in related costs. However, considering that other operating expenses include recognized fines, penalties, and forfeits, it is necessary to further investigate the reasons for such growth.

During the analyzed period, PJSC “Odeskabel” did not engage in investment activities, while financial expenses decreased by UAH 3.4 million, or 4.0%, which is a positive trend and may indicate a reduction in debt burden. At the same time, other expenses increased by 175.7%, which is a significant deviation and requires additional explanation.

Overall, there has been an increase in the enterprise’s operating expenses, which necessitates further analysis of the ratio between costs and revenues to confirm the validity of this trend.

Let us proceed with an analysis of the structure, and dynamics of operating expenses of PJSC “Odeskabel” by economic elements. This will allow us to determine what exactly was spent on production and to comprehensively assess changes in the company’s cost policy, as well as identify the main trends in their formation (Table 2).

Table 2

Dynamics of the Structure of Operating Expenses of PJSC “Odeskabel” by Economic Elements

Indicator	Amount, thousand UAH		Structure, %		Deviation	
	2023	2024	2023	2024	amount, thousand UAH	structure, p.p.
1. Material costs	1438061	1859391	75,2	77,0	421330	1,8
2. Labor costs	209116	246569	10,9	10,2	37453	-0,7
3. Social contributions	40869	48012	2,1	2,0	7143	-0,1
4. Depreciation	46347	44399	2,4	1,8	-1948	-0,6
5. Other operating expenses	179883	217551	9,4	9,0	37668	-0,4
Total expenses	1914276	2415922	100,0	100,0	501646	-

Source: calculated based on data [10]

The study of the dynamics of operating expenses of PJSC “Odeskabel” indicates their overall increase in 2024 compared to 2023 by UAH 501.6 million, or 26.2%. This primarily reflects the expansion of the enterprise’s scale of operations, as the net revenue from product sales increased significantly. Another factor contributing to the rise in expenses is the increase in the cost of utilized resources.

Material costs occupy a dominant position in the cost structure, with their share increasing from 75.2% to 77.0%, while their total amount rose by UAH 421.3 million. This indicates a high level of material intensity in production and a growing dependence of the enterprise on the cost of raw materials and supplies.

Labor costs also increased in absolute terms by UAH 37.5 million; however, their share in the structure decreased from 10.9% to 10.2%. This suggests that material costs are growing at a faster rate than personnel-related expenses. A similar trend is observed for social contributions. At the same time, depreciation expenses decreased both in absolute terms by UAH 1.9 million and in structure by 0.6 percentage points. This is a result of a reduction in the commissioning of new fixed assets and the depreciation of assets currently in use at the enterprise. Other operating expenses increased by UAH 37.7 million, although their share declined by 0.4 percentage points.

Thus, the conducted analysis leads to the conclusion that the main factor behind the growth of operating expenses is the increase in material costs, which results in higher material intensity of production. This highlights the need to optimize procurement policy, implement resource-saving technologies, and improve the efficiency of material resource utilization.

CONCLUSIONS OF THE STUDY AND PROSPECTS FOR FURTHER RESEARCH IN THIS AREA

As a result of the conducted research, theoretical approaches to the essence of enterprise costs and their classification have been generalized, and the organizational and methodological foundations of their analysis have been determined. It has been established that effective cost analysis requires a comprehensive approach, which involves the integration of financial, managerial, and accounting systems, as well as the use of various analytical methods.

The practical analysis of the activities of PJSC “Odeskabel” showed that in 2024 there was a significant increase in the total volume of expenses, particularly due to the growth of material costs, indicating a high material intensity of production. Changes in the cost structure were also identified, including a decrease in the share of labor costs and depreciation. This confirms the need to improve resource management policies and implement measures aimed at cost optimization.

At the same time, it has been found that the existing practice of cost analysis has a number of shortcomings, including insufficient detail of information, limited use of modern analytical tools, and weak integration with strategic management processes.

The prospects for further research in this area include: development of modern digital tools for cost analysis; improvement of management accounting systems at enterprises; application of economic and mathematical methods for cost forecasting; study of the impact of external factors (market, technological, institutional) on cost formation; development of cost optimization models taking into account the specifics of enterprise activities.

Thus, further development of cost analysis methodology will contribute to improving the efficiency of cost management and ensuring the sustainable development of enterprises.

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