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Formation and Assessment of the Investment and Reputation Capital of the Enterprise

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ABSTRACT

The article assesses the influence of factors that form the reputation of an enterprise in the real sector of the economy, on the ability to attract investments and form investment capital. The study **aims** to identify the most important components of reputation capital that stimulate the inflow of investments for the implementation of projects that are significant for the development of the region. The author applies **methods** of multidimensional weighted scoring assessment of business reputation, construction of factor models, and identification of regression relationships between investment capital and factors that form business reputation, methods of pair correlations, and modelling. This study assesses the impact of factors on the level of investment capital and business reputation of 38 regionally significant organizations included in the list of residents of the Territory of Advanced Social and Economic Development (TASED) of the Far East and receiving tax incentives and administrative benefits. The scientific hypothesis that the investment capital of an enterprise as a key element of the territorial economic system is formed under the influence of a complex of factors of business reputation is subject to verification. The types of business reputation are identified for enterprises of regional significance. The author makes a **conclusion** that the inflow of investments and the accumulation of capital is facilitated by information transparency, participation of the enterprise in socio-cultural, educational events in the region, support of ethical and corporate principles. The research results can be used by the management companies of the territories of advanced development and the management of enterprises implementing national projects for the development of the regional economy.

Keywords: territorial economic system; business reputation; compliance risks; territory of advanced development; capital of an enterprise; investments

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INTRODUCTION

The regional economic policy of the Russian Far East is aimed at the formation of territorial economic systems with a favorable investment climate and a special regime that stimulates entrepreneurial activity in the domestic and foreign markets. A business unit, namely an enterprise, becomes a strategic element of the territorial economic system, and the level of socio-economic development of the municipality and the region depends on its effective activity. Strategically significant enterprises in priority sectors of the national economy use the natural resource potential of the region, transport and logistics networks, accumulate significant amounts of capital, and provide employment for the population. In modern conditions of the implementation of the economic policy for the development of the depressed Far Eastern regions of Russia, territories of advanced development have been formed, which create an opportunity for favorable development and sustainable growth for enterprises included in the list of residents. The business activity of the enterprise is determined by the successful implementation of investment projects of a regional scale, the construction of industrial production, social and transport infrastructure.

To develop the economic potential of enterprises as elements of territorial economic systems, certain incentives are needed, which should include motivation of investors, support from regional authorities and management, budget co-financing of projects. Investors and the state invest in projects aimed at the local market, in the presence of highly effective demand of the population of the territory, low competition, and a high reputation of the enterprise in the market. Investments contribute to the modernization of industrial complexes, the introduction of resource-saving technologies, the expansion of sales markets, and the promotion of products for sale to foreign markets. Thus, a regionally significant enterprise with a certain economic potential should strive to

activate the factors of successful long-term functioning, increase investments and form a positive business reputation in a competitive environment.

This study is based on the main provisions of the theory of capital (V.V. Kovalev [1], O.V. Efimova [2]), the assessment of the business reputation of the enterprise (I.S. Vazhenina [3], A. Veh [4], M. Menuet [5], E.D. Schetinina, E.A. Shchetinina [6]), the approach of stakeholders (V.G. Kogdenko, M.V. Mel'nik [7]), the concept of integrated reporting (N.V. Malinovskaya [8]). Scientific publications describe the economic role of capital for the development of corporate structures that accumulate financial investments, systematize the factors and components of business reputation. At the same time, the literature does not sufficiently study the priority factors of the formation of the business reputation of enterprises implementing significant investment projects for the development of the region and attracting real investments. In this regard, the aim of the study is to identify the most important components of reputation capital that stimulate the inflow of investments for the implementation of projects significant for the development of the region.

INVESTMENT AND REPUTATION CAPITAL OF THE ENTERPRISE AND FACTORS OF ITS FORMATION

Investment and reputation capital is an important structural element of an enterprise's capital, which ensures the economic growth of the territorial economic system. On the one hand, investment and reputational capital have a financial nature, which consists of the accumulation of invested funds at the expense of owners' investments, increasing profits, and attracting loans and credits. Capital is a form of investment value increment in the process of a relatively independent inflow of finance, ensuring the process of reproduction of the financial and economic activities of an enterprise. A financial concept developed before the

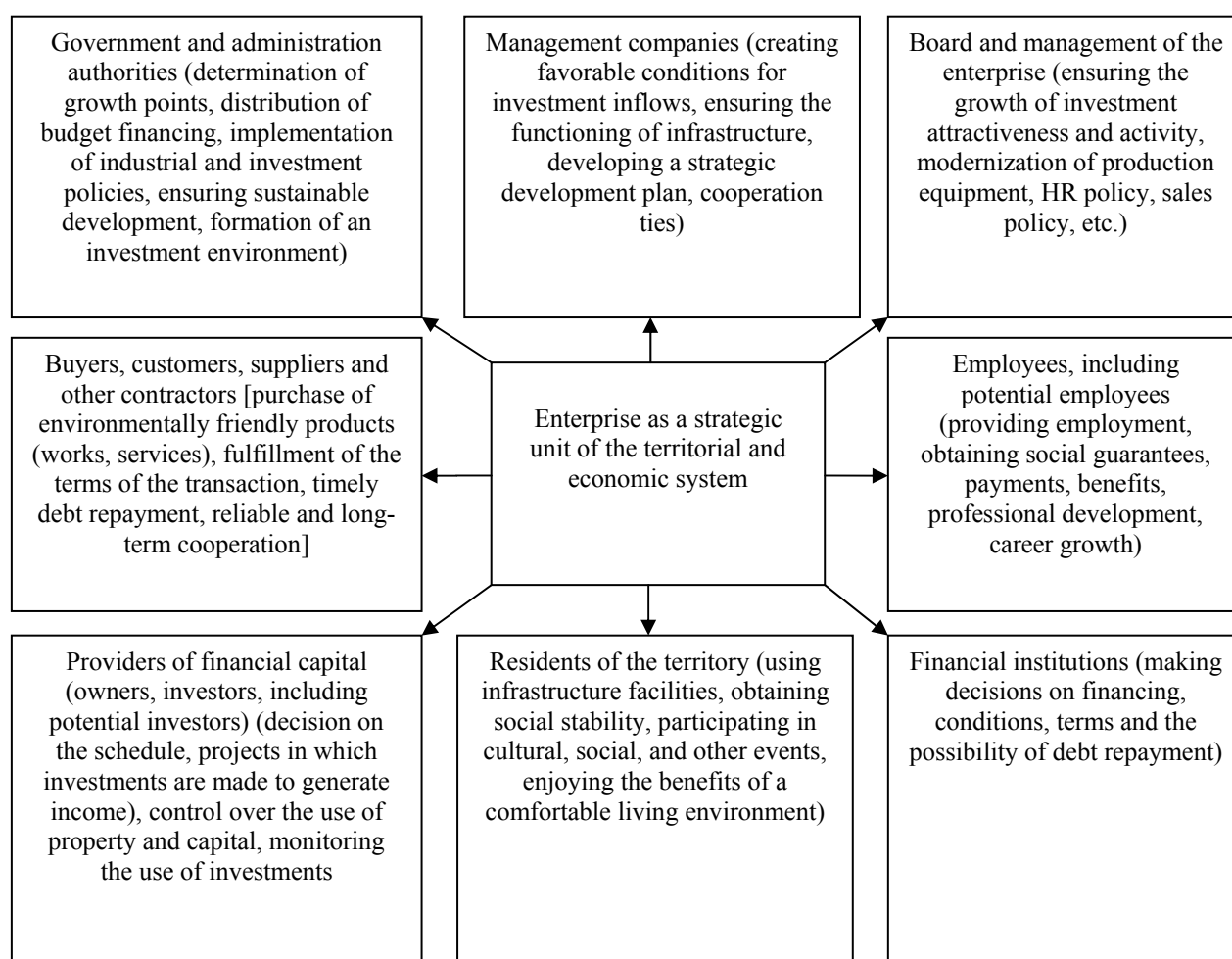


Fig. 1. Stakeholders of enterprises of territorial economic systems

Source: compiled by the author.

beginning of the 20th century. (A. Smith, J. Hicks, J. Sweeney, P. Samuelson) consider "investment capital", "net assets" and "own advanced capital" to be identical concepts. Based on this concept, the investment capital of an enterprise is calculated as the difference between assets and accounts payable [9]. O. V. Efimova [2] defined investment capital as the main source of financing for an enterprise. V. V. Kovalev notes that the enterprise performs an investment function, purposefully investing its own and borrowed funds in a particular project [1]. The larger the investment capital, the lower the risk of losing financial stability and protecting investors from the loss of invested capital. The financial concept makes it possible to reliably assess the amount of capital, the effectiveness of

invested funds, and the value of the company using accounting methods and factor analysis techniques. However, the financial concept of capital does not describe the whole complex of exogenous and endogenous factors that contribute to the inflow of investments into the activities of enterprises of regional significance.

The most popular is the concept of integrated reporting, in which a combination of social and reputational, industrial, human, network, intellectual financial, natural capital plays a special role. The combination of all types of capital forms the market value of the company and supports sustainable economic growth. From the point of view of the concept of integrated reporting, investments are considered "economic resources that

contain the potential for obtaining economic benefits that are part of the capital" [8]. The variety of types of capital is associated with the approach of the stakeholder to the category of "enterprise", which implements the strategy of economic development and capital accumulation in interaction with the state in the framework of participation in government programs, suppliers of financial capital, suppliers and lenders, employees, customers, and the community. Interaction with stakeholder groups is schematically shown in Fig. 1.

When interacting with groups of stakeholders, the business reputation of the enterprise, network relations, and connections with the external environment are formed. The enterprise becomes the center of the territorial and economic system, in which the exchange of resources and information, the distribution of capital, and the formation of a value chain take place.

From the point of view of stakeholder theory, the goal of enterprise development is to meet the needs of a wide range of stakeholders by creating public goods, increasing the assets and resources of the territory, creating connections and competitive advantages. A successful enterprise that implements investment projects important for the socio-economic development of the region becomes a tool for popularizing and shaping the image of the territory. At the same time, as the business reputation of the enterprise and the project grows, interest in the region grows from the economically active population, domestic and foreign investors. For most stakeholders, an important criterion for assessing the success and effectiveness of work is not only the cost of investment capital but also quality parameters or the attitude of stakeholders. In this understanding, business reputation becomes an important component of investment and reputation capital.

Economists associate the category of "business reputation" with similar

scientific categories "image and fame", "social responsibility" [10], "reliability" and "investment attractiveness" [11]. The relationship between these categories is manifested in the fact that most often reputation factors are integral components of qualitative and quantitative methods for assessing investment attractiveness, reliability, etc. The above concepts are quite subjective since they depend on the opinions of various stakeholder groups ("a set of beliefs or rational opinions") [3].

M.D. Akat'eva [11] associates reputation with competitiveness, which increases financial stability and returns on investment. Investment attractiveness is considered as a type of business reputation formed by one group of stakeholders (investors).

S.G. Vazhenin and I.S. Vazhenina rightly notes that reputation forms trust as an integral part of "economic relations, which characterizes the expectations of the participants regarding their compliance with the established rules of interaction and their obligations" [12]. At the same time, scientists note that a decrease in confidence in an economic entity affects the imbalance of all socio-economic processes in regions and municipalities, leads to financial difficulties, a drop in interest and support of investors and authorities. An enterprise's reputation is an important component of economic security, protecting the organization and its stakeholders from internal and external threats.

Summarizing the existing approaches, it is necessary to highlight the distinctive features of investment and reputation capital:

- multidimensional nature of formation under the influence of many endogenous and exogenous factors (investment climate of the region, management and financial system of the enterprise);
- relations with human, intellectual, natural, financial and other types of capital;
- long-term nature of education and the possibility of a loss of value with a sharp deterioration of risk factors;

- the formation under the influence of the subjective opinion of stakeholders, their emotions, perception and expectations.

Investment and reputation capital is formed under the influence of a complex of factors that can be both stimulating and constraining. The latter include reputational risks, which become threats of loss of investment and termination of the project. Reputational risk is considered as the threat of loss of reputation as a result of the negative perception of the organization by its customers, counterparties, and other stakeholders, which affects the organization's business relations, maintenance, and establishment [11]. The emergence and strengthening of reputational risk threaten to increase the cost of borrowed capital due to decreased confidence in the organization on the part of investors and lenders, limited public support and access to administrative resources, decreased customer loyalty, and the organization's solvency. Reputation characterizes the position of an enterprise in the economic environment, the ability and capability to cope with financial, regional, social risks, and other factors of instability.

To assess the level of business reputation, there is a fairly wide range of indicators, which, as a rule, are subdivided into groups: corporate, informational, image, ethical and behavioral, organizational-functional, institutional, etc. Analysis and grouping of factors of business reputation by frequency of mention in the literature are presented in *Table 1*.

In the methods of assessing business reputation, financial indicators are dominant, and in weighted scoring financial indicators are assigned a higher weight value. Reputation is assessed using indicators of financial stability, which contributes to the formation of a high level of trust and guarantees the implementation of investment projects. Most of the stakeholders are guided by financial indicators and credit ratings, investment activity.

Reputation and compliance risks arising as a result of ineffective management or opportunism of an economic agent (negligence, evasion, use of official powers for personal purposes), violations of business conduct in the implementation of economic transactions, destabilize the territorial economic system. Assessment of non-financial components and risks of the level of business reputation of an enterprise is popular in foreign literature [15]. According to A. Veh [4], the stable and sustainable development of an enterprise is ensured not only by fame, but also by honest behavior in the markets, a low level of risk of litigation, and high ratings of products that are provided for quality and environmental safety. Financial fraud, bribery, tax evasion, labor discrimination, non-compliance with the principles of environmental safety of production, antitrust laws can damage the business reputation of an enterprise [13].

Economic crimes, corruption links and misappropriation of assets seriously damage the business reputation of an enterprise and also become factors that hinder the inflow and effective use of investments. Compliance risks destroy the territorial economic system since they give rise to chain bankruptcies, especially the involvement of strategically important organizations in this process. Compliance risks destabilize the conditions for the development of residents at the micro-level, hinder the implementation of the socio-economic interests of investors, society, and the state [14].

The negative impact of compliance risks on the company's business reputation is manifested in the fact that lawsuits arise, negative information is disclosed in the media, trust from key business partners and investors decreases, and financial and non-financial information about the company is hidden. Enterprises with a low level of reliability and an ineffective internal control system are always given increased attention by regulatory and supervisory authorities, which, in the case

Table 1

Analysis and ranking of factors that form the business reputation of an enterprise

Factor	Number of mentions	V.G. Kogdenko [7]	E.E. Petrakova, M.S. Zolotova [16]	T.S. Lisitskaya [17]	I.S. Vazhenina [3]	E.D. Shchetinina, E.A. Shchetinina [6]	M.G. Grigoryan, N.A. Loginova [18]	M.D. Akat'eva [11]	I.V., Yakhneeva, R.I. Khansevyarova R.I., Strel'tsov A.A. [10]
Corporate governance factors	16								
Corporate governance, availability and compliance with the corporate governance code	2			+	+				
Management efficiency	1				+				
Accumulated business experience, age of the organization	2			+				+	
Reputation of the head of the organization, top managers, owners, professionalism	4	+	+		+			+	
Labor disputes	1				+				
Management's perspective on ethics, corporate culture, social responsibility of business	1				+				
Long-term management perspectives	1				+				
History, mission and elaborated development strategy	1						+		
Staff turnover, HR policy	2		+					+	
Compliance with the company's policy with the expectations of employees, shareholders	1	+							
Competitive advantages	13								
Quality of products, goods, works, services, services	6	+		+	+	+	+	+	
An advantageous economic and geographical position	1							+	
A visual image of the organization, corporate identity	2	+		+					
Emotional attraction	1				+				
Brand awareness and its identity (feature), fame	2			+	+				
Innovativeness	1			+					
Information technology factors	12								
Information activities of the company	1				+				
Openness, accessibility and transparency of business, effective information system for goods and services	3	+		+	+				
Positive media coverage, customer reviews, advertising, business success, product safety	6	+		+	+	+		+	+
Assessment of the reliability of financial statements	1							+	
Ensuring data protection from theft, failures, unauthorized access	1				+				
Compliance factors	10								
Business image (conscientiousness in fulfilling the assumed obligations)	2				+				+
Absence of unscrupulous counterparties	1							+	
Complaints from the controlling and supervisory authorities of the Russian Federation, clients, court or convictions	1				+				
Financial losses and fraud, theft, participation in illegal schemes	2	+			+				

Table 1 (continued)

Factor	Number of mentions	V.G. Kogdenko [7]	E.E. Petrakova, M.S. Zolotova [16]	T.S. Lisitskaya [17]	I.S. Vazhenina [3]	E.D. Shchetinina, E.A. Shchetinina [6]	M.G. Grigoryan, N.A. Loginova [18]	M.D. Akateva [11]	I.V., Yakhneeva, R.I. Khanseyarov R.I., Strel'tsov A.A. [10]
Industrial accidents and safety violations	1	+							
Compliance with legislation, norms, principles of business ethics	2	+							+
ICS and disclosure of the effectiveness of its work, prevention of conflicts of interest	1								+
Financial factors	9								
Credit rating and other ratings, good reputation of the borrower	4	+		+			+	+	
Financial condition, financial stability, financial indicators and their dynamics, profit	4			+	+		+		+
Tax incentives and loans, the amount of state aid, investment grants	1	+							
Ethical and behavioral factors	8								
Corporate culture, level of labor discipline (transparency, democratic leadership style, fairness, responsibility)	4		+	+		+	+		
Ethics in relations with internal and external partners, compliance with norms	3	+			+		+		
The level of relationship of the organization's staff with customers	1	+							
Market factors	5								
Reputation appreciated by the company's consumers	1	+							
Market position, competitive behavior of the company in the market	2				+	+			
Well-established system of sales of goods, services, response to customer requests, considering their needs	2	+						+	
Social responsibility factors	5								
Social reputation (social goals, roles in the social and cultural life of society, charity)	3			+		+	+		
Social investment, innovation, social responsibility	2			+	+				
Institutional factors	4								
The presence of an administrative resource and interaction with the authorities, the presence of large reputable partners	2	+			+				
Participation in government programs, government purchases, government contracts	1	+							
Participation in associations and unions	1				+				
Environmental factors	2								
Environmental responsibility	1				+				
Responsible attitude to the environment	1				+				

Source: compiled by the author based on the analysis of scientific publications [3, 6, 7, 10, 11, 16, 17].

of opportunistic behavior, leads to financial losses in the form of fines and penalties on overdue obligations. In turn, this leads to a decrease in solvency and profit, as a result of which investment capital decreases.

The ability to assess the risks of violation of legislation has increased in the context of information transparency of the parameters for assessing the reliability of an enterprise as a counterparty. Failure to fulfill contractual obligations, overdue accounts payable, labor disputes, late payment of wages, tax evasion negatively affect the business reputation of a supplier or a conscientious taxpayer. The transparency of information in the media contributed not only to ensuring transparency of information for making investment decisions but also to the negative manifestation of information risks caused by possible information leakage, unauthorized access, and sabotage.

In connection with the possible negative manifestations of the enterprise in society, the concept of corporate social responsibility (CSR) was developed [19]. Factors contributing to the socially oriented, ethical behavior of the company have become important factors of the business reputation growth and investment attractiveness. According to foreign researchers, investments are directed to projects that ensure the creation of a favorable living environment on the territory, improve the well-being of the population, the implementation of socially significant projects, energy conservation and resource conservation programs, and environmental protection. Non-transparency of information about projects, observance of CSR in the activities of enterprises are considered as investment barriers [20]. Due to the importance of CSR, investment scores of enterprises, industries, regions include environmental, social, ethical, and cultural areas (human resources, environment, safety, relations between stakeholders, management ethics). Thus, complex factors of business reputation and their division into groups

make it possible to develop a methodology for assessing investment and reputation capital with quantitative and qualitative assessment indicators.

COMPONENT-FACTOR APPROACH TO ESTIMATE THE INVESTMENT AND REPUTATION CAPITAL OF THE ENTERPRISE

The methodology for assessing the investment and reputation capital of enterprises that attract real investments for the implementation of strategically significant projects is implemented at the following stages:

1. Identification of factors that stimulate and restrain the growth of investment and reputation capital. The choice of the list of factors is based on the availability of information for assessment, complexity, and consistency, considering their relationship and interdependence.
2. A scoring assessment of the components of reputation capital. The reduction to a single measurement scale is caused by the need to evaluate both qualitative and quantitative indicators.
3. Ranking observations on a scale, assessing the relationship between the value and the assessment of investment capital.
4. Modeling and identifying the relationship between the factors that form business reputation, their extended groups, and the level of investment capital.
5. Determination of the type of enterprise by the level of accumulated investment and reputation capital.
6. Development of measures aimed at reducing the impact of reputational and compliance risks.

The indicative approach involves the development of a system of indicators, interrelated and subordinate, allowing one to assess the level of investment and reputation capital of enterprises in the real sector of the economy. Within the framework of the assessment methodology, indicators

Table 2

Indicators proposed for assessing the investment and reputation capital of an enterprise

Effective/factor attribute name	Indicator	Designation
Performance indicators		
Investment Capital	Investment capital	IC
Factor features		
Compliance Factors (KF)		
Business image (conscientiousness in fulfilling the assumed obligations)	The number of violations revealed as a result of the conducted inspections The ratio of inspections that revealed violations to the total number of inspections carried out Number of claims (participation of an enterprise as a defendant) The degree of reliability (according to the data of the sites Contour-focus, etc.)	X1 X2 X3 X4
Financial losses and fraud, theft, participation in illegal schemes	The number of claims against the organization	X5
Compliance with legislation, norms, principles of business ethics	The amount of tax and other obligatory debt	X6
Corporate Governance Factors (YF)		
The reputation of the head of the organization, top managers, owners, professionalism	Public opinion about the leader, experience and length of service, business partnership, absence of bankruptcy in previously operating organizations Change in HR management over the past 3 years The presence of the owner in the register of mass founders	X7 X8 X9
Labor disputes	Participation of the organization in labor disputes, availability of information on delays in the payment of wages	X10
Information Technology Factors (IF)		
Openness, accessibility and transparency of business, effective information system, including for products, services	Posting information about the financial and non-financial activities of the organization on websites and investment portals	X11
Positive media coverage, customer reviews, advertising, business success, product safety	Citation of the company's website, availability of product quality reviews	X12
Financial Factors (FF)		
Financial performance indicators	Return on sales Autonomy coefficient Current liquidity ratio Net profit growth rate Dependence on borrowe Dependence on creditors	X13 X14 X15 X16 X17 X18

Table 2 (continued)

Effective/factor attribute name	Indicator	Designation
Market Factors (RF)		
Market position, competitive behavior of the company in the market	Sales growth rate	X19
	Number of market competitors	X20
	Age of the company	X21
Ethical and Behavioral Factors (EF)		
Business culture (transparency, democratic leadership style, fairness, responsibility)	The presence on the organization's websites of a code of conduct, anti-corruption rules, and standards, etc.	X22
Institutional Factors (InF)		
The presence of an administrative resource and interaction with the authorities, the presence of large reputable partners	Participation in government purchases, government contracts, international exhibitions, etc.	X23
Social Responsibility Factors (SF)		
Social investment, innovation, social responsibility	Participation in the implementation of social projects, socio-economic life of the region, participation in exhibitions and conferences, implementation of environmental protection measures. Investments in social infrastructure facilities	X24 X25

Source: compiled by the author.

are proposed, the essence of which is expressed in the possibility of assessing the level of accumulated capital for sustainable functioning and increasing the return on investment. The grouped indicators are presented in *Table 2*.

The most acceptable range of the level of factor features in scores $r \in [0; 5]\%$. For a scoring assessment of factors, it is proposed to use formula (1) when assessing the direct relationship and formula (2), if there is an inverse relationship between the factors and the result:

$$r = r_{\min} + \frac{I_{\max} - I_i}{I_{\max} - I_{\min}} (r_{\max} - r_{\min}), \quad (1)$$

where I — indicator; r — factor value in scores.

$$r = r_{\max} - \frac{I_{\max} - I_i}{I_{\max} - I_{\min}} r_{\max}. \quad (2)$$

The study uses a sample of regionally significant organizations included in the list of residents of the TASED of the Far East of Russia and receiving tax incentives and administrative preferences. The study sample includes:

1) enterprises with the largest volume of investment in projects (over 1 billion rubles) and a large amount of accumulated investment capital;

2) functioning for more than two years from the date of creation.

The sample under study covers 38 enterprises of regional importance. TASED

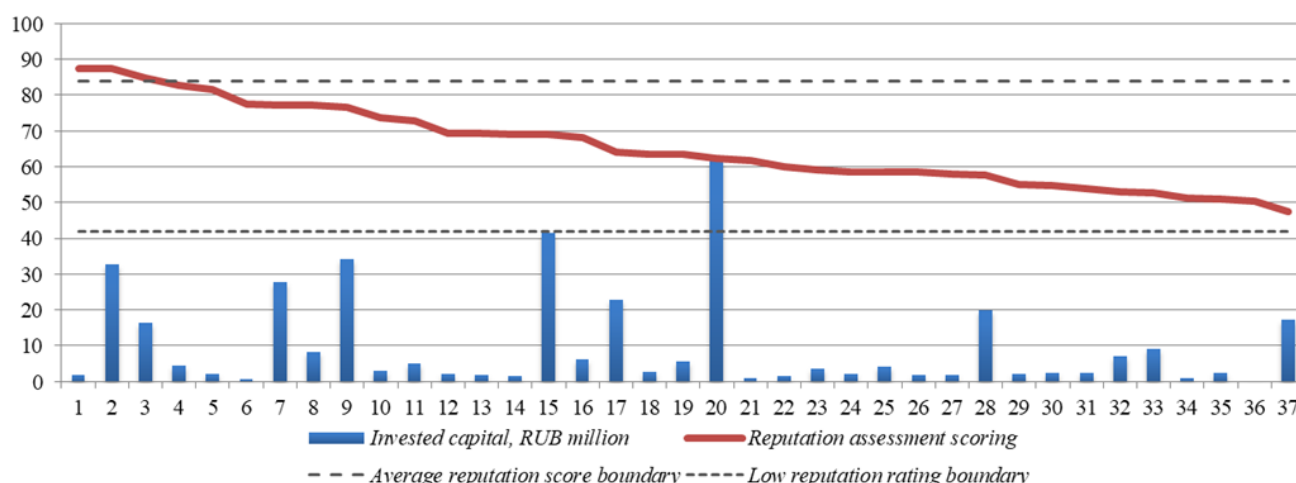


Fig. 2. Scoring assessment of the business reputation of residents of the TASED of the Far Eastern Federal District (using the example of 38 enterprises with an investment estimate of more than 1 billion rubles per project)

Note: the estimate of the Amur GZP is excluded due to the large deviation.

Source: compiled by the author based on the data of the investment card of JSC "KRDV" and financial statements, other information of state bodies about organizations-residents of territories of advanced development (information system "Kontur Focus" and service Rusprofile). URL: <http://https://www.rusprofile.ru/>; <http://https://focus.kontur.ru/> (accessed on 20.02.2021).

residents invest in the reproduction of fixed assets and an increase in production capacity, the modernization of industrial complexes, the construction of new profitable facilities that are significant for the development of the industrial and export potential of the region.

To assess the influence of factors on the level of investment capital, the methods of pairwise correlations and modeling were used. Factor models were built based on stepwise selection in the SPSS program; to assess the hypothesis of the absence of autocorrelation of residuals, multicollinearity testing, and the Durbin-Watson test were carried out. The advantage of stepwise selection in the program is to obtain the best multiple regression model corresponding to the statistical parameters of adequacy and reliability.

The general multiple regression model, including groups of factor features, is as follows:

$$IC = b + \alpha_1 KF + \alpha_2 YF + \alpha_3 IF + \alpha_4 FF + \alpha_5 RF + \alpha_6 EF + \alpha_7 InF + \alpha_8 SF, \quad (3)$$

where $\alpha_1 \dots \alpha_n$ — regression coefficients.

The model for assessing the influence of factors on investment capital is determined as follows:

$$IC = b + \alpha_1 X_1 + \alpha_2 X_2 + \alpha_3 X_3 + \dots + \alpha_{25} X_{25}. \quad (4)$$

The models are designed to identify factors of a stimulating and restraining nature and to determine the possibility of an enterprise accumulating investment capital.

ASSESSMENT OF THE INFLUENCE OF FACTORS ON THE FORMATION OF INVESTMENT AND REPUTATION CAPITAL

Fig. 2 shows the results of scoring of the business reputation of residents of the TASED and the cost of investment capital. The estimates obtained show that the amount of invested capital and the level of business reputation do not have a general trend. This indicates that investors do not always invest in reliable enterprises, but are guided by the prospects of projects, future output and profitability, investment plans and project passports.

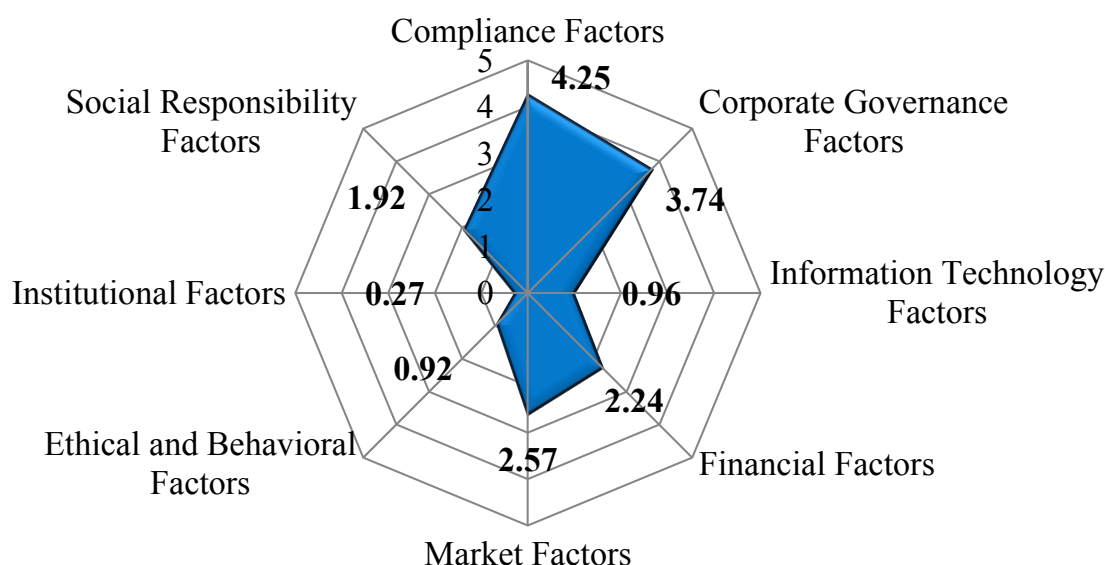


Fig. 3. Comprehensive assessment of factors affecting the business reputation of regionally significant enterprises

Source: compiled by the author based on financial statements, information from state bodies, websites of organizations-residents of territories of advanced development (information system "Kontur Focus" and service Rusprofile). URL: <http://https://www.rusprofile.ru/>; <http://https://focus.kontur.ru/> (accessed on 20.02.2021).

The graph shows that a favorable trend is that enterprises with a high amount of investment capital fall within the border of high and medium levels of goodwill. According to the complex of the assessed parameters, only 3 enterprises have a high business reputation, which is 8% of the studied sample. The rest of the surveyed objects were classified as medium business reputation. If the level of goodwill characterizes the market value of the capital of an enterprise, then the difference between the booked investment capital and its market value characterizes the degree of capital accumulation or the "consumption" of capital. Thus, for all assessed objects, the level of reputation is higher than investment capital, which indicates favorable business conditions for doing business and a large volume of investment inflows into projects. The only example of inefficient use of capital can be Zvezda Shipbuilding Complex LLC (Fig. 2, object 20) due to labor disputes, claims of regulatory authorities, long-term participation in courts, unprofitable activities.

Fig. 3 shows a multi-axis diagram that reflects the level of influence of a group of factors according to the list of indicators in Table 2.

Enterprises that attract investments for the implementation of significant regional projects have low compliance and corporate governance risks, as evidenced by a high score of factors (4.25 and 3.74 in the maximum border of 5). Indeed, with an unfavorable compliance environment and violations of the law, the sample included only 5 enterprises, which were subject to penalties for violating tax laws, violations were identified during inspections for compliance with the law, and 2 organizations are at the stage of bankruptcy and stripped of their resident status of TASED in 2020, which jeopardized the implementation of investment projects. Institutional factors are less important due to a lack of participation in public procurement and little activity at international exhibitions. This factor can be assessed relatively, as it depends on the stage

Table 3

Pairwise correlations of the invested capital and enlarged groups of factors that form the business reputation of regionally significant enterprises

Indicator	IC	KF	YF	IF	FF	RF	EF	InF	SF
Invested Capital (IC)	1	-0.42**	0.17	0.65**	0.03	-0.03	0.68**	0.73**	-0.11
Compliance Factors (KF)	-0.42**	1	-0.27	-0.22	0.35*	-0.08	-0.37*	-0.46**	0.29
Corporate Governance Factors (YF)	0.17	-0.27	1	0.45**	-0.01	0.32	0.25	0.03	0.1
Information Technology Factors (IF)	0.65**	-0.22	0.45**	1	0.12	0.01	0.74**	0.42**	0.25
Financial Factors (FF)	0.03	0.35*	-0.01	0.12	1	0.26	-0.02	-0.16	0.11
Market Factors (RF)	-0.03	-0.08	0.32	0.01	0.26	1	0.13	-0.17	-0.23
Ethical and Behavioral Factors (EF)	0.68**	-0.37*	0.25	0.74**	-0.02	0.13	1	0.5**	-0.13
Institutional Factors (InF)	0.73**	-0.46**	0.03	0.42**	-0.16	-0.17	0.5**	1	-0.1
Social Responsibility Factors (SF)	-0.11	0.29	0.1	0.25	0.11	-0.23	-0.13	-0.1	1

** Correlation is significant at 0.01 (2-sided).

* Correlation is significant at 0.05 (2-sided).

Source: compiled by the author based on the data of the investment card of JSC "KRDV" and financial statements, other information of state bodies about organizations-residents of territories of advanced development (information system "Kontur Focus" and service Rusprofile). URL: <http://www.rusprofile.ru/>; <https://focus.kontur.ru/> (accessed on 20.02.2021).

of the project life cycle and the type of activity of the organization. A negative fact is the low indicators of the information technology component of business reputation, assessed by the site citation index, accessibility, and openness of information on the company's website. Indeed, in this sample, only a small number of organizations have their own websites and disclose full financial and non-financial information. Table 3 presents the results of a correlation analysis of the cost of investment capital and factors affecting the level of business reputation. To carry out the correlation-regression analysis, the cost of investment capital was converted into the scoring estimate.

The analysis showed that investment capital correlates with a group of ethical and behavioral, information technological, and institutional factors. Moreover, the correlation with compliance factors arises due to the fact that large and medium-sized enterprises with high investment capital are more susceptible to the risks of violations of the law, inspections by various regulatory and supervisory authorities. Moreover, the size of the sanctions imposed on these entities is also higher.

There is no high correlation between all groups of factors in assessing business reputation. There is a high closeness of the relationship between information

Table 4

Pairwise correlations of invested capital and factors that form business reputation

	IC	X23	X5	X3	X20	X22	X12	X8	X7	X10	X11
IC	1	0.7**	-0.147	-0.033	-0.008	0.52**	0.136	0.297	0.44**	-0.5**	0.44**
X23	0.7**	1	-0.64**	0	0.034	0.497**	0.62**	-0.138	0.37*	-0.28	0.2
X5	-0.147	-0.64**	1	0.54**	-0.066	-0.48**	-0.67**	-0.1	-0.38*	-0.08	-0.07
X3	-0.033	0	0.54**	1	0.319	-0.26	-0.06	-0.1	-0.42**	-0.08	-0.24
X20	-0.008	0.034	-0.066	0.319	1	0.18	0.14	0.18	-0.22	-0.05	-0.22
X22	0.52**	0.5**	-0.48**	-0.26	0.18	1	0.53**	-0.06	0.56**	-0.11	0.63**
X12	0.136	0.62**	-0.67**	-0.06	0.14	0.5**	1	0.162	0.359*	0.09	0.21
X8	0.297	-0.138	-0.1	-0.1	0.18	-0.06	0.162	1	0.042	0.53**	-0.07
X7	0.44**	0.37*	-0.38*	-0.42**	-0.215	0.561**	0.359*	0.04	1	0.02	0.72**
X10	-0.5**	-0.28	-0.08	-0.08	-0.05	-0.11	0.09	0.53**	0.02	1	-0.02
X11	0.44**	0.2	-0.07	-0.24	-0.22	0.63**	0.21	-0.07	0.72**	-0.02	1

** Correlation is significant at 0.01 (2-sided).

* Correlation is significant at 0.05 (2-sided).

Source: compiled by the author based on the data of the investment card of JSC "KRDV" and financial statements, other information of state bodies about organizations-residents of territories of advanced development (information system "Kontur Focus" and service Rusprofile). URL: [http:// www.rusprofile.ru/](http://www.rusprofile.ru/); <https://focus.kontur.ru/> (accessed on 20.02.2021).

technology and ethical and behavioral factors since the latter was assessed by the presence of ethical standards on the site, which indicates the interdependence of the parameters. A moderate positive relationship was found between information technology and institutional factors, between ethical and behavioral and institutional factors, which indicates that these groups of factors form the reliability of an organization as a business partner. A multiple regression model was generated using stepwise regression analysis:

$$IC = -1.191 + 0.739InF + 0.459IF. \quad (5)$$

The resulting model is significant at 68% (R^2), insignificant and correlated factors were excluded by the stepwise selection method. This model describes the importance of institutional and information technology factors. This can be explained by the fact that enterprises participating in public procurement already have a confirmed level of reliability, which, from the point of view of stakeholders and investors who make decisions in conditions of limited information, is an important indicator of business reputation valuation. The factor of information transparency and openness confirms the value of creating a

Table 5

Typology of regionally significant enterprises by the level of investment and reputation capital

	Type 1	Type 2	Type 3
	High level of investment and reputation capital	Average level of investment and reputation capital and average level of risks	Low level of investment and reputation capital and low level of risks
Type characteristic	The company accumulates investments through participation in the implementation of socially significant projects; finances environmental initiatives; has stable business relationships, reliable partners, effective management; no negative reviews; has a stable dynamics of financial indicators; no overdue debt; no layoffs of employees and labor conflicts; transparency and reliability of the information on the site; high level of trust on the part of the authorities; good image among the population	The company has reliable business connections, but does not participate or rarely takes part in social projects and in the life of the region; no negative reviews; in connection with minor violations of contractual obligations, periodically participates in court proceedings as a defendant; there is a decrease in capital by no more than 5%; there are one-time and irregular delays in mandatory payments; unforeseen losses occur; on the official website there is no information about the activities of the enterprise	The company has unscrupulous business partners; does not participate in socially significant events; has negative customer reviews; numerous facts of unethical behavior of employees were noted; increased layoffs of employees; the reduction and «consumption» of capital; regular delays in payments; growth in the volume of overdue debt; high level of unexpected losses; repeated violations of contractual obligations; information opacity; low level of trust on the part of the authorities and administration
Number of observations	3	27	9
Examples of enterprises	JSC Khabarovsk International Airport; LLC "Baikal Mining Company"; POLYMETAL International PLC	LLC Shipbuilding Complex Zvezda; OOO Gazprom pererabotka Blagoveshchensk; Ostrovnoy Rybokombinat LLC; JSC "RK "Novy Mir"; JSC "Eastern Petrochemical Company" LLC "TechnoNIKOL Far East", etc.	LLC "Organization multidisciplinary service-BK"; LLC "S Technology"; LLC "RFP Wood Pellets"; LLC Service-Integrator YAKUTIA, etc.

Source: compiled by the author.

positive image in the Internet environment. At the same time, it is equally important to control the reliability and completeness of published financial and non-financial information, which is guided by investors. Table 4 shows the results of the correlation analysis.

Considering the influence of each indicator of business reputation on the amount of invested capital, it is necessary to highlight the positive relationship between the participation of an enterprise in public procurement, the image of the head, the placement of financial statements on the website, the implementation of environmental measures, the participation of the organization in the life of society. Based on the assessment of the relationship between investment capital and factors, a model was built:

$$IC = -0.306 + 1.114X_{23} + 0.825X_5 - 0.648X_3 + 0.142X_{20} + 0.138X_{22} - 0.208X_{12} + 0.133X_6 \quad (6)$$

$$(16.97;0) \quad (9.29;0) \quad (-7.79;0) \quad (4.19;0) \quad (5.06;0) \\ (-3.31;0.002) \quad (2.61;0.014)$$

Note: the values of t-statistics are indicated in brackets, the degree of significance.

The multiple regression model has a statistical significance of $R^2 = 0.945$. In this model, in addition to the factors listed above, compliance factors were also significant, namely: the number of claims against enterprises. The absence of lawsuits and tax arrears guarantees a positive business reputation.

Based on the analysis, the types of business reputation for enterprises of regional importance were formed.

According to the level of reputation, enterprises are divided into three groups, most of them have an average level at which there are low values of indicators for several factor features.

CONCLUSIONS

Thus, enterprises participating in the development of the territorial economic system should strive to form a positive image and constantly participate in the life of the region's society. A positive factor that increases sustainability is adherence to the concept of social responsibility, posting information about environmental, innovative activities on Internet sites, which attracts investors, buyers, employees, and other stakeholders. Adherence to cultural and ethical values contributes to the understanding by stakeholders of the interest of the company's management in stability and long-term development. Corporate social responsibility is aimed at observance of moral standards, combating corruption and inequality of the population. To avoid opportunistic behavior, it is necessary to adopt standards based on norms of behavior and ethical principles. Socially responsible behavior of an enterprise that demonstrates sustainable development in the long term presupposes participation in socially significant projects, transparency, and business activity. Maintaining social well-being and ensuring comfortable living of the population on the territory, safety, and environmental friendliness are becoming the main strategic objectives of the enterprise as an object of regional relations "business-government-population".

Formed reputation and investment capital allow attracting investors, partners, consumers, accelerates implementation processes, creates opportunities for increasing debt financing, makes available resource and capital markets, foreign sales markets and sources of financing. The low level of business reputation indicates the need to develop a risk management system based on the criteria of the importance and significance of the consequences, a financial compliance control mechanism.

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