

References

1. Про забезпечення прав і свобод внутрішньо переміщених осіб: Закон України від 20 жовт. 2014 р. № 1706-VII (date of accessed: 11.04.2022).
2. Ухвала Придніпровського районного суду м. Черкаси № 711/3655/22, Єдиний державний реєстр судових рішень. URL: <https://reyestr.court.gov.ua/Review/105619151> (date of accessed: 11.04.2022).
3. Ухвала Дніпровського районного суду м. Києва № 755/12631/22, Єдиний державний реєстр судових рішень. URL: <https://reyestr.court.gov.ua/Review/109052250> (date of accessed: 11.04.2022).
4. Постанова Одеського апеляційного суду № 522/15147/22, Єдиний державний реєстр судових рішень. URL: <https://reyestr.court.gov.ua/Review/109193848> (date of accessed: 11.04.2022).

UDC 340.12(043.2)

Uvarov B. E., seeker
for the first (bachelor's) level of higher education,
National Aviation University, Kyiv, Ukraine
Scientific advisor: Kmetyk Kh. V., PhD in Law

INTERACTION BETWEEN SHAREHOLDERS AND MANAGEMENT IN THE PROCESS OF CORPORATE GOVERNANCE

Interaction between shareholders and management is one of the key components of effective corporate governance. In the course of a company's operation, shareholders have the right to influence the strategy and decisions made by management. Such interaction can be ensured by creating an effective corporate governance system, establishing rules and procedures to regulate the interaction between shareholders and management, and ensuring openness and transparency of the company's reporting to shareholders and the public.

One of the main mechanisms of interaction between shareholders and management is the general meeting of shareholders. The general meeting of shareholders is the supreme governing body of the company and has the right to make strategic decisions, amend the charter documents and elect members of the board of directors. During the general meeting, shareholders have the opportunity to express their opinions and suggestions on the company's activities and influence decision-making.

However, there is a risk that management may use their position to increase their own power and control over the company. To prevent this, independent boards of directors can be established, consisting of independent experts and tasked with ensuring that decisions are balanced and risks are managed.

To ensure effective interaction between shareholders and management, it is also necessary to regulate the relationship between shareholders and

management in the event of a change of ownership. This can happen through the sale of company shares, mergers or acquisitions. In this case, management may be subject to pressure from the new owner, which may lead to changes in the company's strategy and decisions. To ensure an adequate level of shareholder protection in such cases, mechanisms can be developed to protect management from hostile takeovers. It is also important to ensure openness and transparency with respect to the company's financial reporting to shareholders and the public. In particular, companies should publish annual financial reports that contain information on the company's financial position, performance and development prospects. In addition, companies may publish quarterly reports that provide information on the current state of affairs of the company.

In the process of interaction between shareholders and management, it is also important to take into account the company's social responsibility. The modern public increasingly demands that companies comply with ethical and social standards. Companies that take into account social and environmental aspects in their operations usually enjoy greater support from shareholders and the public.

Thus, the interaction between shareholders and management in the process of corporate governance is a key factor for the company's success. Ensuring effective interaction can help to preserve the interests of all parties, as well as increase the trust and support of shareholders. For this purpose, it is important to create mechanisms for involving shareholders in the process of making important decisions, as well as to ensure transparency and openness in the company's financial statements.

In addition, it is important to protect management from hostile takeovers and to take into account the company's social responsibility.

All of these aspects of shareholder-management interaction in the corporate governance process can be regulated by law and internal company policies.

However, it is important to note that effective interaction between shareholders and management is not just a legal requirement, but also a moral obligation of the company to its shareholders and the public. Companies that adhere to ethical and social standards in their operations enjoy greater support and trust from investors and consumers, which can have a positive impact on their financial stability and reputation.

Thus, the interaction between shareholders and management is an important element of corporate governance, which requires the creation of mechanisms for involving shareholders in making important decisions, transparency and openness in interaction, as well as taking into account ethical and social aspects. Effective interaction can have a positive impact on the trust and support of shareholders, preserve the interests of the company and ensure stable business development, which in turn can ensure a high level of profitability and sustainability of the company in the market.

In today's world, corporate governance is becoming an increasingly important element of business development, as it not only ensures that the company meets the requirements of regulators and shareholders, but also helps to maintain consumer and investor confidence in the company. Interaction between shareholders and management is one of the most important components of corporate governance, as it helps to ensure the common interest and support of the company and its shareholders.

However, it should be noted that the interaction between shareholders and management can be complex and conflictual, as they may have different interests and goals. For example, shareholders may be interested in maximizing the return on their investment, while management may be focused on the company's development strategy and long-term success. These different perspectives can lead to conflicts and disagreements over important decisions, which can negatively affect the company's development and its relationship with shareholders.

To maintain positive interaction between shareholders and management, various mechanisms can be introduced, such as the establishment of an independent board of directors to ensure that management's performance is monitored and aligned with the company's development strategy. It is also possible to introduce a system of incentives for management, which will depend on the achievement of certain indicators and goals by the company, which may help to involve management in common goals with shareholders.

At the same time, in order for the interaction between shareholders and management to be positive and constructive, it is necessary to ensure openness and transparency of the company's management. For example, the company can regularly provide reports on its activities, development plans and strategies, as well as the processes of making important decisions, which will allow shareholders to monitor the work of management and be aware of the situation in the company.

In addition, shareholder engagement mechanisms, such as meetings, consultations, online voting, etc., can be introduced to allow shareholders to express their opinions and wishes, as well as to receive the necessary information about the company.

In general, the interaction between shareholders and management in the process of corporate governance is a complex and important issue that requires constant attention and effort on both sides. With the right approach to the interaction and mutual understanding of the parties, the company can ensure stable development and support of its shareholders, which is an important factor for business success in the modern world.