

To cite this paper:

Deeva L.I. (2019) Effect and efficiency comparison in the organization activities evaluation. *Human Progress*. 5 (5): 2. URL: http://progress-human.com/images/2019/Tom5_5/Deeva.pdf. DOI 10.34709/IM.155.2

EFFECT AND EFFICIENCY COMPARISON IN THE ORGANIZATION ACTIVITIES EVALUATION

Lidia Deeva

Accountant in OOO “YugraLed” (YugraLedLtd)

Yugorsk, Russia

Abstract. The article is devoted to identifying the differences between the concepts of "effect" and "efficiency". These two concepts essence comparison is carried out using the methods of studying various scientific information sources and logical analysis. For analysis, the author studied the “effect” and “efficiency” concepts essence, the definitions given by various Russian and foreign scientists. Further, the author compared these two concepts on the following grounds: what they characterize, what they are, what they determine, what they characterize, how they are expressed and how they are calculated. To represent the differences more clearly, the author uses a graphical method of presenting information. The scientific novelty of the study is to systematize the differences between the concepts of “effect” and “efficiency”. It was found that the effect is the result of some activity, and efficiency - the degree of the goal achievement; the effect can be expressed in absolute and relative terms, and effectiveness - only in relative terms; the effect is calculated as the dynamics of the results, efficiency - as the ratio of the results to the costs. The article may be of interest to economists who in practice determine the effect obtained and the activities effectiveness, as well as to graduate students and undergraduates in the economic areas.

Keywords: effect; efficiency; economic effect; differences in effect and effectiveness; company activities assessment.

JEL code: D 61.

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Contact

Lidia Deeva

YugraLed Ltd

12, build. 2, Tazhnaya str., Yugorsk, Tyumen region, Russia, 628260

www.lidia3deeva3@yandex.ru